

Full Business Case for the Mildura Motor Sports and Community Precinct

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Client: Mildura Rural City Council

ABN: 42498937037

Prepared by

AECOM Australia Pty Ltd

Level 10, Tower Two, 727 Collins Street, Melbourne VIC 3008, Australia

T +61 3 9653 1234 F +61 3 9654 7117 www.aecom.com

ABN 20 093 846 925

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Executive Summary

Overview

The Mildura Rural City Council (MRCC) is seeking funding to develop a major motor sport precinct within the municipality. The precinct would host not only motor sport events, but would represent an important multi-use facility for tourist and community events. This project has the opportunity to transform Mildura's visitor economy, and make the precinct into a major driver of visitation to Mildura.

The business case for the motor sport precinct is the culmination of a number of years of effort by MRCC and the broader community. It builds on several earlier studies. The first is the 2011 *North Western Victorian Motor Sports Feasibility Study*, which recommended that a sealed racetrack and skidpan be constructed at the Block H site south of Mildura in the short term. It further observed that existing motor sport facilities were scattered across Mildura and of varying quality, and that the tourism and motor sport industries could benefit from a more structured, cohesive and integrated approach to facilities management. The second is the 2013 *Australian Motor Sports Raceways Benchmarking Review*, which concluded that a racetrack in Mildura was feasible and financially viable.

This business case has been structured to meet the business case guidelines from the Victorian Department of Treasury and Finance (DTF), and also seeks to ensure that it will meet the information requirements of other potential funders of this project, such as other tiers of government.

Mildura is a relatively isolated regional city, being some six hours by vehicle to Melbourne and four hours from Adelaide. It is also an area of high social and economic disadvantage, with its traditional industries of agriculture, horticulture and manufacturing in decline. To address these economic and social issues, Mildura needs to attract new growth industries. The visitor economy represents a strong growth industry for regional Victoria, and Mildura is well placed to take advantage of growing demand for intrastate, interstate and international tourism. Mildura Airport is the largest and busiest regional airport in Victoria catering for over 200,000 passengers per annum and offering 138 flights per week. Mildura already has a strong major events calendar encompassing sport, arts, food, and other events, and which collectively attracts tens of thousands of tourists each year.

Problems that the project will address

The business case highlighted three challenges (problems) in particular that could be addressed through strengthening the visitor economy offering. These were:

- **Problem 1: Threats to future investment in established industries will result in a move toward more transient, unreliable employment**

Mildura's traditional industries, including horticulture, agriculture and manufacturing have declined in terms of employment and their contributions to the local economy over the last decade or so. This has led to increased casualisation in Mildura's workforce and a movement to part time jobs (and away from full time jobs). This is despite initiatives such as the \$103 million Sunraysia Modernisation Project, which aims to support farmers to diversify crops. Mildura's long term prosperity depends on the ability of the region to diversify its economy, towards high value sectors with strong growth potential. While Mildura has made progress in diversifying its industry base over recent years (e.g. 50% growth in the number of almond trees expected to be planted over the next 3-5 years in the region¹), this has not halted the drift to part time and casual employment.

Tourism has significant potential in Mildura, and already represents an important sector in the local economy, particularly event-base tourism, driven by sporting, food and wine, cultural and other events. Investment in a high profile motor sport precinct would act as a catalyst for event based tourism, opening up new tourism markets in motor sport as well as other sectors such as business events tourism.

- **Problem 2: A lack of widespread recognition for Mildura's existing tourism and lifestyle strengths creates the perception that it is an uninspiring destination**

Tourism is an important sector in Mildura's economy, with around 500,000 domestic and international tourists annually. A large proportion of visitation is linked to events, with Murray Regional Tourism Board estimating that around 800,000 (53% of whom were tourists) people attend around 555 events

¹ Mildura Regional Development

in the Murray region each year.² Growth in tourism numbers, however, has been very slow over the last decade, despite advantages such as the Mildura Airport. To gain a greater share in the regional tourism market, Mildura needs to develop new attractions and events.

Mildura already has a strong base in motor sport events, and these account for 14% of all events in Mildura.³ Each motor sport event attracts around 2,300 visitors, with 72% of these coming from somewhere other than Mildura. Participation per capita in motor sports in North West Victoria is three times the State average and four times the national average. With this base, there is an opportunity to leverage this position to drive an increase in motor sport based tourism while the development of an iconic motor sport precinct would strengthen perceptions of Mildura as a diverse and dynamic tourist destination.

- **Problem 3: Many of Mildura's vulnerable are struggling to engage productively in society, resulting in growing disadvantage and dependency**

Mildura is characterised by high levels of social and economic disadvantage. Evidence of this disadvantage includes low income levels relative to the rest of the State, and high levels of disengagement from education and employment. These issues need to be addressed by new economic activities and the associated job opportunities, as well as new opportunities for people to engage in community events as well as education and training. A motor sport precinct would provide employment opportunities throughout Mildura's visitor economy, and provide a venue for new community engagement opportunities as well as training opportunities relating to driving, mechanics, events, engineering and racing.

Project options

A total of five project options were identified which could address the problems identified above. These five project options were assessed as part of the business case. All of the project options would be constructed at Block H, a 552 hectare site located south of Mildura.

The five options were:

- **Project Option 1:** development of a 3 kilometre long bitumen raceway and skid pan, pits area, control tower, small office, maintenance/washdown shed and a camping site for spectators. This facility would cater for motor sport and other tourism and community events
- **Project Option 2:** this project option would incorporate all of the features of Project Option 1 as well as a secure fuel facility and lighting of the track
- **Project Option 3:** this project option would include, in addition to all the elements of project options 1 and 2, a function area, garages and workshops. In addition to catering for tourism and community events, it would also be able to service a range of business events
- **Project Option 4:** this project option would deliver a comprehensive facility which will cater for the suite of land and water based motor sports, and would allow for the consolidation of current motor sports facilities in Mildura from 6 sites to 1-2 sites in the upcoming years. It would also provide space for business, tourism, community and other events and festivals, and would represent a major economic and community asset for Mildura. In addition to the elements already described, it would incorporate additional commercial areas such as conference rooms and additional racing circuits (e.g. jet boats, karts, speedway).
- **Project Option 5:** this project option would deliver the same facilities as Project Option 4, but in a staged approach. It assumes that Project Option 1 would be delivered at the first stage.

The capital cost of each project option ranged from \$21.8 million for Project Option 1 to \$80.2 million for Project Option 5.

Project benefits

A number of significant economic and social benefits would be delivered by this project. All of the five project options delivered substantial benefits to the community.

² Murray Regional Tourism Board, *Murray Region Events Strategy*, March 2015

³ Murray Regional Tourism Board, *Murray Region Events Strategy*, March 2015

- **Economic benefits**

Each of the project options would deliver a substantial economic benefit to Mildura over 30 years. The economic benefit represents new growth to the local economy, driven mainly by increased visitation associated with the motor sport precinct and new events.

The motor sports industry provides a substantial economic impact to Victoria each year, accounting for \$691 million in direct economic output and over 4,200 direct jobs. In Mildura, motor sports contributes \$21 million each year to the local economy.

These significant economic numbers are as result of the popularity of motor sports, both for participants and spectators. In Australia, 150,000 people directly participate in motor sports, and motor sport is the fourth most watched sport (in attendance) in the country. ⁴ There are currently over 6,200 motor sport events held in Australia annually, and the Confederation of Australian Motor sport (CAMS) has noted that Australia is experiencing unprecedented levels of growth in licence holders, permitted events and clubs; there is an increasing demand for greater access to motor sport facilities across the country. ⁵

With the development of a motor sport precinct and racetrack, Mildura would be poised to benefit from a high growth, high value form of tourism. Motor sport visitors tend to have high disposable incomes, and will travel long distances to participate in or watch a motor sport event. The rapid growth in demand for motor sport facilities means that Mildura would be well placed to attract a significant number of events and visitors, without impacting utilisation at other motor sport facilities.

- **Multiuse facility**

Use of the motor sport facility would not be limited to motor sport events. It could be used for a range of tourism related activities such as business events, and other sporting and cultural events. The purposed conference and function facilities under Project Options 4 and 5, for instance, would drive high end business visitation. The spaces at the precinct could also be used for agricultural and trade shows, such as Field Days.

The facility could also be used for community events, as it would offer open space with facilities such as food and beverage and toilets. These include musical events, cultural events, and other social and community activities.

- **Employment impacts**

The precinct would generate new visitation and economic activity for Mildura. This, in turn, would result in increased job opportunities, security and career paths for the local community. This investment will benefit both existing workers and those seeking to enter the workforce, and would provide employment in industries such as hospitality, retail, events management, training, mechanics, engineering and other sectors.

- **Education and training**

The precinct will provide opportunities for vocational training, in fields such as driver education including for secondary school students, adult driver training and truck licencing. Sunraysia TAFE, Matthews and Associates and Austlink (all of which are Mildura-based education providers), have indicated that they see substantial opportunities for training and education at the site.

- **Social engagement**

The precinct would provide the Mildura community with opportunities for social engagement. This could include opportunities for disadvantaged youth groups (e.g. indigenous, migrant youth) to engage in social interaction. The precinct would provide opportunities for volunteering at events and training, as well as initiatives such as the indigenous V8 racecar team, previously coordinated by the Mallee District Aboriginal Service.

⁴ CAMS, *Economic contribution of the Australian motor sport industry – detailed report*, November 2014 (Ernst & Young)

⁵ CAMS, *Economic contribution of the Australian motor sport industry – detailed report*, November 2014 (Ernst & Young)

Preferred option

Project Option 5 (staged option) was identified as the preferred option, delivering substantial economic and social benefits to Mildura compared to the other options, and with a relatively low level of financial risk to ratepayers.

The first phase of Project Option 5 would include the following facilities:

- A three kilometres long bitumen racing circuit
- Pits area (800m²), hard stand (350m²) and control tower
- Skid pan
- Basic office and facilities, for administrators and clubs
- Maintenance/wash down shed.

Project Option 5 would provide an overall economic benefit of \$698.9 million over 30 years of operation, delivering a Benefit Cost Ratio (a comparison of discounted benefits to discounted costs) of 14.1 over that time frame. This means that for each dollar of cost, the project will deliver \$14.10 of benefit. This should be considered as a very positive outcome. The estimate of benefits has been based on very conservative assumptions about facility use.

Project Option 5 would be financially sustainable, and, conservatively, would deliver an operating surplus over 30 years of \$7.9 million.

There is a very high level of support for this project. These include local motor sport clubs, all of which have expressed an interest in locating at the Block H site in the medium to long term, local motor sport heroes, national motor sport bodies such as CAMS and Motorcycling Australia, Regional Development Victoria, and a host of other local and State level bodies. Additionally, there is a high level of support in the Mildura community, as evidenced by the popularity of social media such as the motor sport facebook page, which has 2,078 'likes' as at December 2016. Mildura Rural City Council is also very supportive of the project.

1.0 Problem

1.1 Business case overview

This Full Business Case (FBC) for the Mildura Motor sport Precinct has been completed in line with the requirements of the Victorian Department of Treasury and Finance (DTF). It is structured to address:

- Problems that the project will resolve
- Benefits of resolving the problems identified
- Strategic or high level options to address the problems
- Project options and assessment of project options
- Discussion of the preferred option.

1.2 Background

The Mildura Rural City Council (MRCC) is seeking to address a range of issues related to increasing economic uncertainty and high levels of social and economic disadvantage in the community of Mildura.

Mildura was officially established in 1887 as a centre for horticulture and agriculture based on irrigation, and has been heavily dependent on irrigation from the Murray River since this time. While the town's economic base is evolving, it has not adapted fast enough to changing economic circumstances, resulting in less stable employment, increased business uncertainty, and reduced workforce participation. The dependence on horticulture and agriculture has magnified economic instability over the last decade or so, as these sectors struggle because of exchange rate fluctuations and drought conditions. This means that the local economy in its current form largely constrained by factors outside its control.

MRCC is located in the north west of Victoria and has a population of around 53,000. In addition to the Mildura Township, there are a number of other towns and urban areas. Mildura has been characterised by steady, albeit slow population growth (less than 1% per annum) over the last decade. Population estimates for 2014 are outlined below.

Table 1 Key population centres, MRCC, 2014 (preliminary estimates)

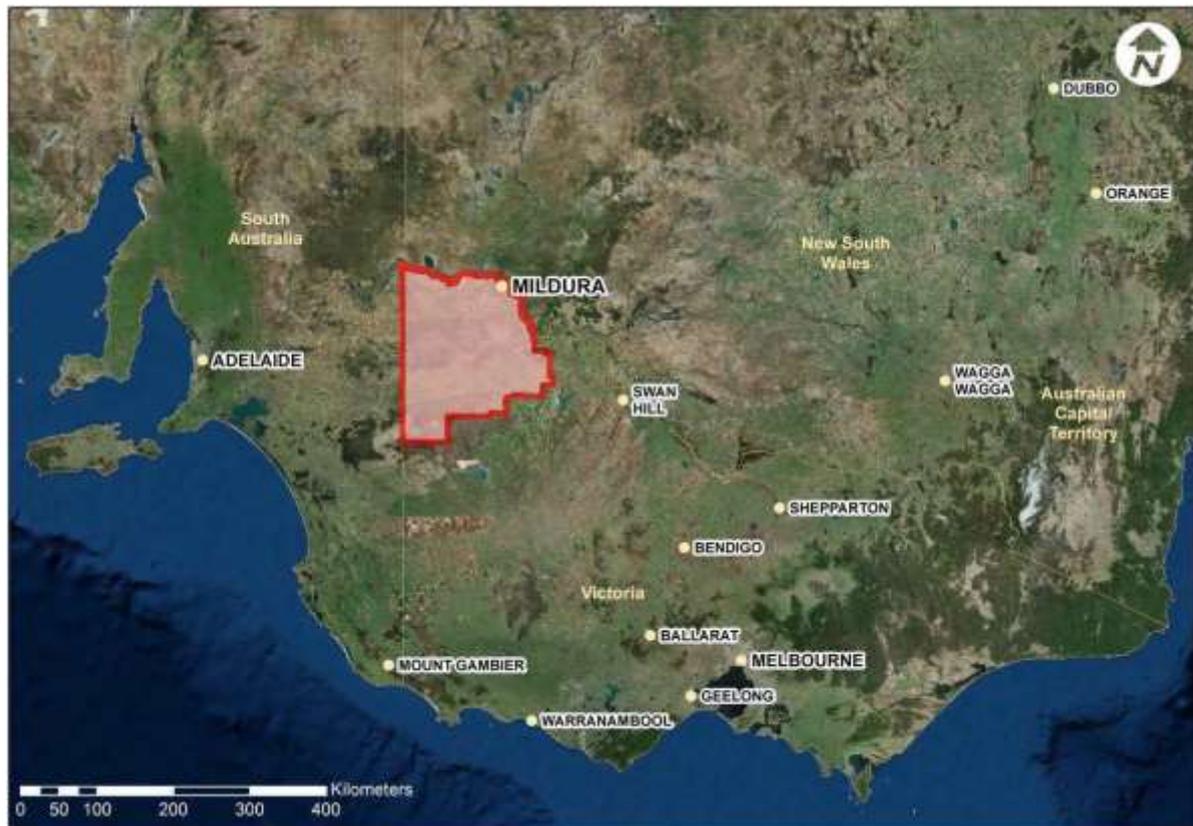
Population centre	Estimated population as at June 2014
Irymple	6,557
Merbein	4,566
Mildura	32,654
Mildura Region	3,716
Red Cliffs	5,543
Mildura RCC	53,036

Source: Australian Bureau of Statistics, *Regional Population Growth, Australia* (cat. no. 3218.0)

Mildura is located within the tri-state area of NSW, Victoria and South Australia and is isolated from major population centres, with driving times over 11 hours from Sydney, six hours from Melbourne and four hours from Adelaide.

A map of the MRCC Local Government Area (LGA) in relation to the rest of Victoria is contained in the following figure.

Figure 1 Location of Mildura relative to key metropolitan and regional centres



1.3 Definition of the problem

The Investment Logic Mapping (ILM) process identified three key problems that need to be addressed. These are:

1. Threats to future investment in established industries will result in a move toward more transient, unreliable employment (50%)
2. A lack of widespread recognition for Mildura's existing tourism and lifestyle strengths creates the perception that it is an uninspiring destination (40%)
3. Many of Mildura's vulnerable are struggling to engage productively in society, resulting in growing disadvantage and dependency (10%).

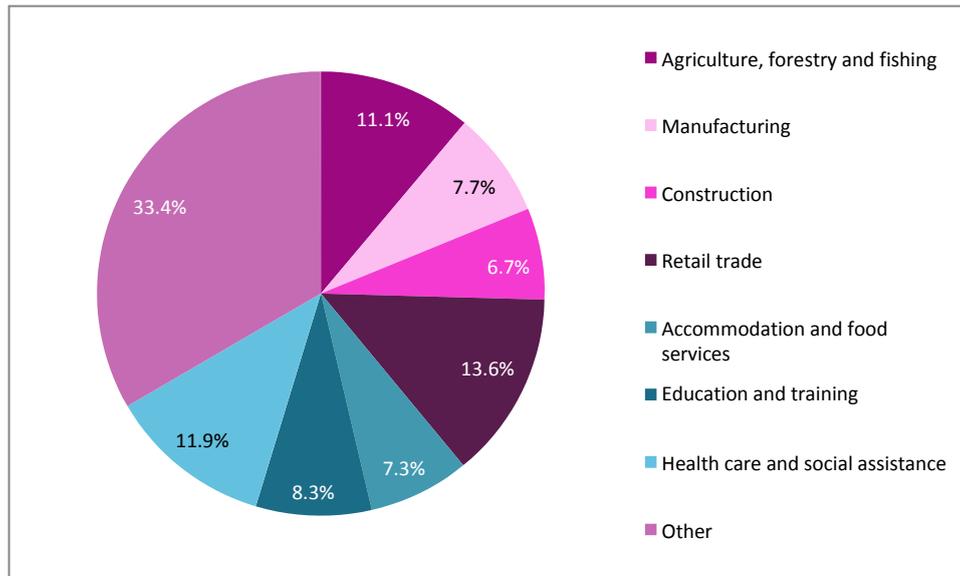
These are described below.

Problem 1: Threats to future investment in established industries will result in a move toward more transient, unreliable employment (50%)

Mildura's economy, like much of regional Victoria, is undergoing a major transition. Traditionally, Mildura's economic base was dominated by horticulture, agriculture, and the town's role as a service centre for the Riverina region.

As of 2011, major sectors for employment included retail (13.6% of employment), accommodation and food services (11.9% of employment), agriculture, forestry and fishing (11.1% of employment), and education and training (8.3% of employment). It should be noted that tourism employment is not categorised separately. Most employment in tourism related industries is included in the 'accommodation and food services' and 'retail trade' categories.

Key employment sectors are illustrated below.

Figure 2 Employment by sector, MRCC, 2011

Source: ABS census data (2011), www.abs.gov.au

Over the ten years between 2001 and 2011, total employment in Mildura grew slowly from 20,661 to 21,481. The composition of the employment profile, however, changed during this time. Traditional employment sectors, particularly agriculture and manufacturing, have shrunk, while services sectors have experienced growth. During this decade, population growth (6.2%) was faster than employment growth (4%), representative of an ageing population, declining workforce participation and fewer employment opportunities.⁶

Employment in agriculture, forestry and fishing decreased from 3,682 to 2,393 between 2001 and 2011, representing a reduction of around one third of total employment. While there are a range of factors at play in this decline, key reasons for this trend included:

- Ongoing drought conditions, adversely affecting production and employment
- Poor prices for traditional commodities such as citrus and dried fruit
- The high value of the Australian dollar, which has negatively affected containerised exports and made horticultural produce less competitive compared to imported goods
- Fluctuating exchange rates, which has created business uncertainty
- Increasing productivity and mechanisation for larger producers
- The occurrence of fruit fly in the region for the first time in 2011
- A move away from family farming to corporate farming, increased productivity and mechanisation but reducing employment.

Similarly, manufacturing employment suffered a decline over the decade to 2011 (from 2,013 to 1,653 jobs, or a reduction of 18%), largely driven by increased competition from imports.

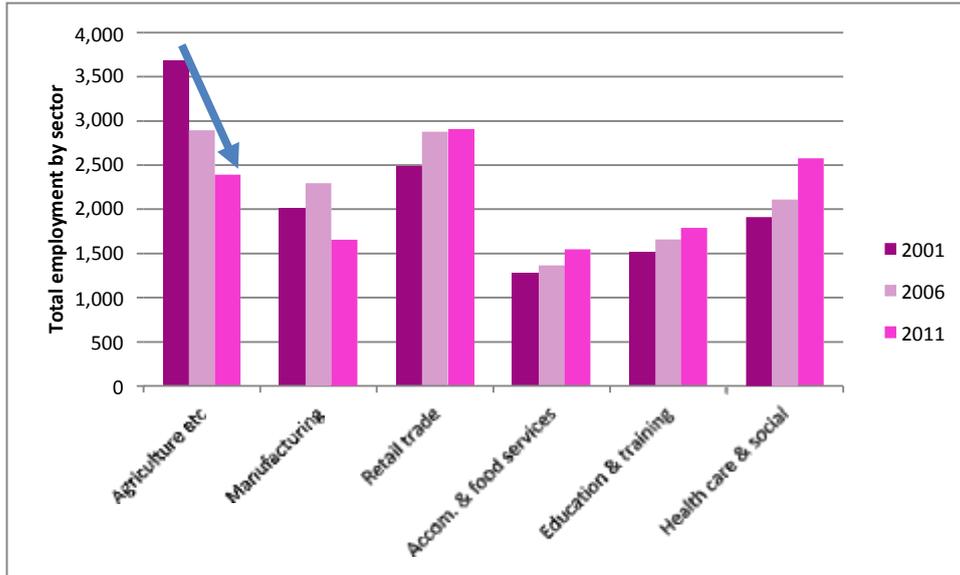
By contrast, the fastest growing employment sectors included health care and social services (35% employment growth), accommodation and food services (21% employment growth), education and training (18% employment growth) and retail trade (17% employment growth).

These sectors have been driven by a range of factors including the need to service an ageing population, increased local uptake in vocational training and secondary schooling, and continued (if slow) population growth.

Changes in employment by sector are outlined below.

⁶ Australian Bureau of Statistics, census data

Figure 3 Change in employment, major sectors, 2001 to 2011

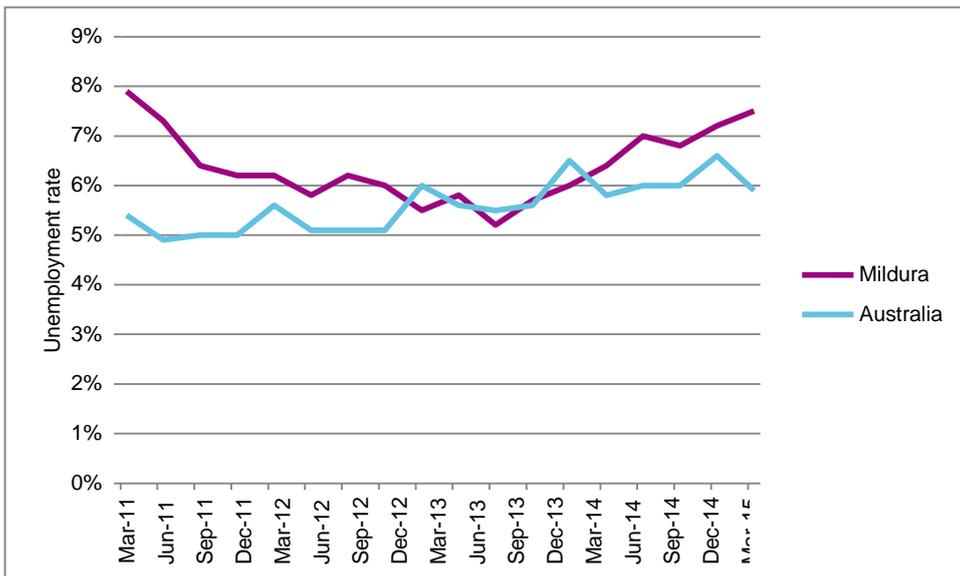


Source: ABS census data (2011), www.abs.gov.au

The slow employment growth, as well as challenges in the agriculture and horticulture sectors, are to some degree reflected in Mildura’s unemployment rates.

In recent decades, Mildura’s unemployment rate has typically been higher than the average for Australia. While unemployment dipped briefly below the Australian average in 2013, it has again trended up, driven by worsening agricultural conditions. Unemployment rates are illustrated below. The significant changes in unemployment rates during this period are indicative of the volatility in the local economy.

Figure 4 Quarterly unemployment rate, Mildura and Australia



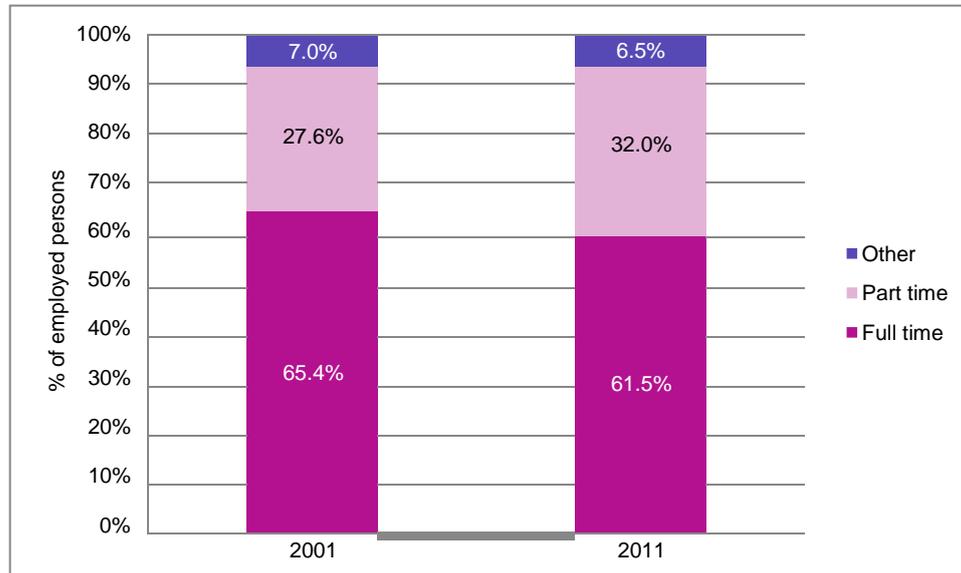
Source: Department of Employment Small Area Labour Markets (SALM)

The last decade has also seen changes in employment status that being the mix between full time and part time work.

A move towards a part time work force can indicate that work is less readily available, leading to increased workforce uncertainty and stress.

The figure below outlines the changes to employment statistics over the decade to 2011. It shows that part time employment has increased (from 27.6% of those employed to 32%), while full time employment has declined from 65.4% to 61.5% of the workforce. These changes reflect in part the changing sector composition of the workforce (e.g. a move towards health and education that may readily attract more part time work), and away from traditional industries. Additionally, these changes reflect greater competition for established export sectors, as well as the drought.

Figure 5 Workforce status, 2001 and 2011, MRCC



Source: ABS census data (2011), www.abs.gov.au

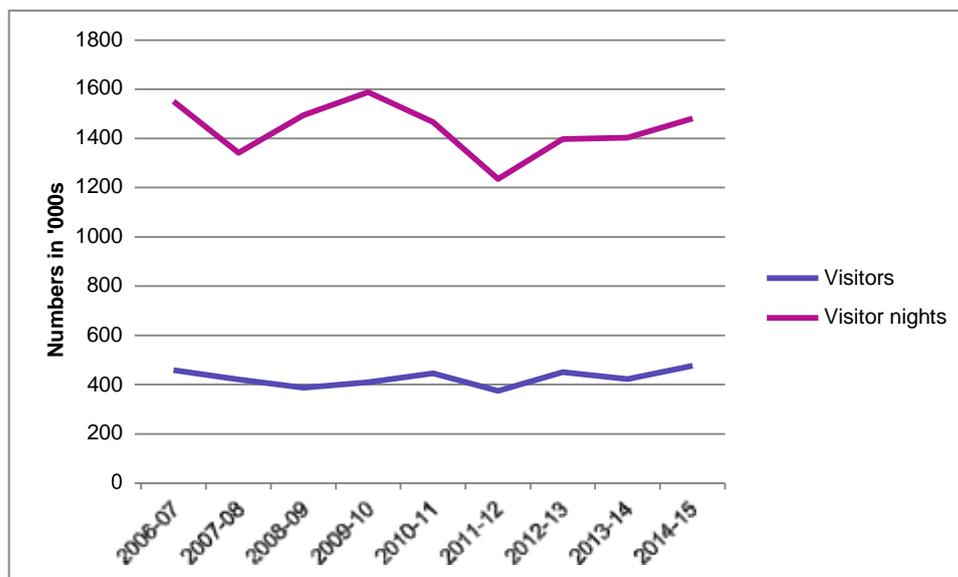
Summary

Mildura's traditional industries are declining in importance and the workforce is being pushed into less certain employment arrangements. The region is struggling to reverse the poor investment outlook for traditional industries, and needs to look to grow new industries to provide employment and economic opportunities for residents.

Problem 2: A lack of widespread recognition for Mildura's existing tourism and lifestyle strengths creates the perception that it is an uninspiring destination (40%)

Tourism is an important industry in Mildura, and the region attracts a range of overnight domestic visitors, day visitors and international overnight visitors.

While tourism-related employment has expanded in the last decade, overall visitor numbers to Mildura have been reasonably stable, with domestic visitors to the region increasing slightly over time from 459,000 in 2006-07 to 477,000 in 2014-15. Over the same time period, domestic visitor nights decreased slightly during this time from 1.55 million to 1.48 million. Data for domestic visitation to Mildura is illustrated below.

Figure 6 Domestic visitors and visitor nights, Mildura

Source: Mildura Tourism, www.visitmildura.com.au

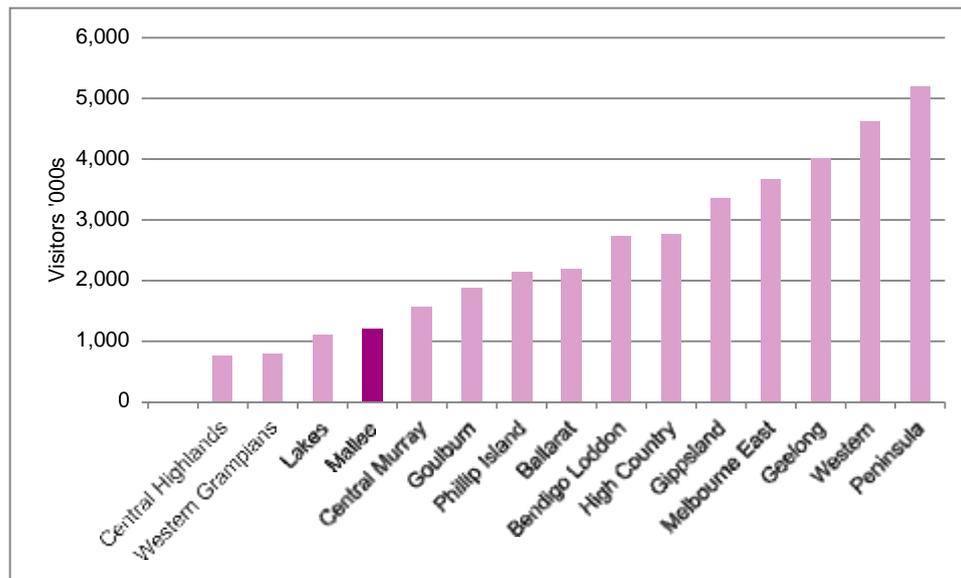
International tourism has similarly increased over the period from 2006-07 to 2014-15, from around 15,000 visitors per annum to 18,000 visitors. While this represents a significant percentage increase (20%), this is off a low base. Longitudinal data for international visitor nights is not available. These figures include around 6,500 backpackers each year, who stay for an average of 75 days.⁷

Compared to other regions in Victoria, Mildura has few visitors. Data from Tourism Research Australia (TRA) highlights this issue. In particular:

- Out of 15 regions in Victoria (excluding central Melbourne), Mallee (which includes MRCC) had the fourth least number of domestic and international visitors in 2012-13
- There were a total of 1.2 million visitors to the Mallee region in 2012-13. This contrasts with more established regions such as the Mornington Peninsula (5.2 million visitors) and the Western Highlands (4.6 million visitors).

Visitation by region is outlined below.

⁷ International Visitors Survey YE March 2016, Tourism Research Australia

Figure 7 Visitors to regional Victoria, by Tourism Australia regions

Source: Data from Tourism Research Australia, 2012-13

This illustrates the need to enhance the attractiveness of Mildura as a tourist destination, ideally building upon the existing strengths of the region.

Events are a key driver of tourism in Mildura, along with sport, outdoor experiences and food-based experiences. The importance of events to Mildura as a tourist drawcard is reflected in the Murray Regional Tourism Board (MRTB) *Murray Region Events Strategy*, which notes that events drive many of the tourism outcomes in regional Victoria. Events were diverse, and focused around food and wine, agriculture, heritage and sport, and also included business events. MRTB noted that for the Murray region (of which MRCC is a part), there were around 555 events annually, attracting over 800,000 attendees (53% of which were non-locals).⁸ This assessment indicates that an events-based strategy to grow tourism is critical to realising improved visitation outcomes.

For Western Murray (which encapsulates Mildura and Wentworth in NSW), an estimated 151,641 people attended 87 events in 2014. Of those attendees, 63,148 were visitors from outside the area (42% of the total), indicating that events have a high likelihood of driving visitation to the region.⁹

While there have been a range of investments in Mildura-based tourism facilities, these have not fully addressed adverse perceptions of Mildura as a tourist destination. Currently the tourism industry is worth \$240 million per annum, with strong potential for growth. The most significant recent tourism investment has been the first stage of the \$222 million Mildura Riverfront Redevelopment (at a cost of \$18.3 million), which is now complete. It is likely, however, that additional investments will be needed to continue to attract new visitors to the region. As noted earlier, Mildura's tourism profile indicates that investments which encourage additional events, particularly motor sport and business events, will maximise the value for money of investments made.

Importance of motor sport events to the region

Motor sport based events account for 14% of all events in the Western Murray region.¹⁰ Of different categories of events, motor sport events attracted very high levels of visitation, with each motor sport attracting on average 2,280 attendees, of which 1,637 (72%) were visitors. This illustrates the significance of motor sport events for the region.

The Mildura region is home to a range of motor sports facilities, and evidence suggests that people living in this region participate in motor sports at a rate three times that of other Victorians, and four times that of the Australian national average. The Victoria wide participation rate in motor sports (competing, officiating, non-competing club member and volunteering) is estimated at 0.7% of people

⁸ Murray Regional Tourism Board, *Murray Region Events Strategy*, March 2015

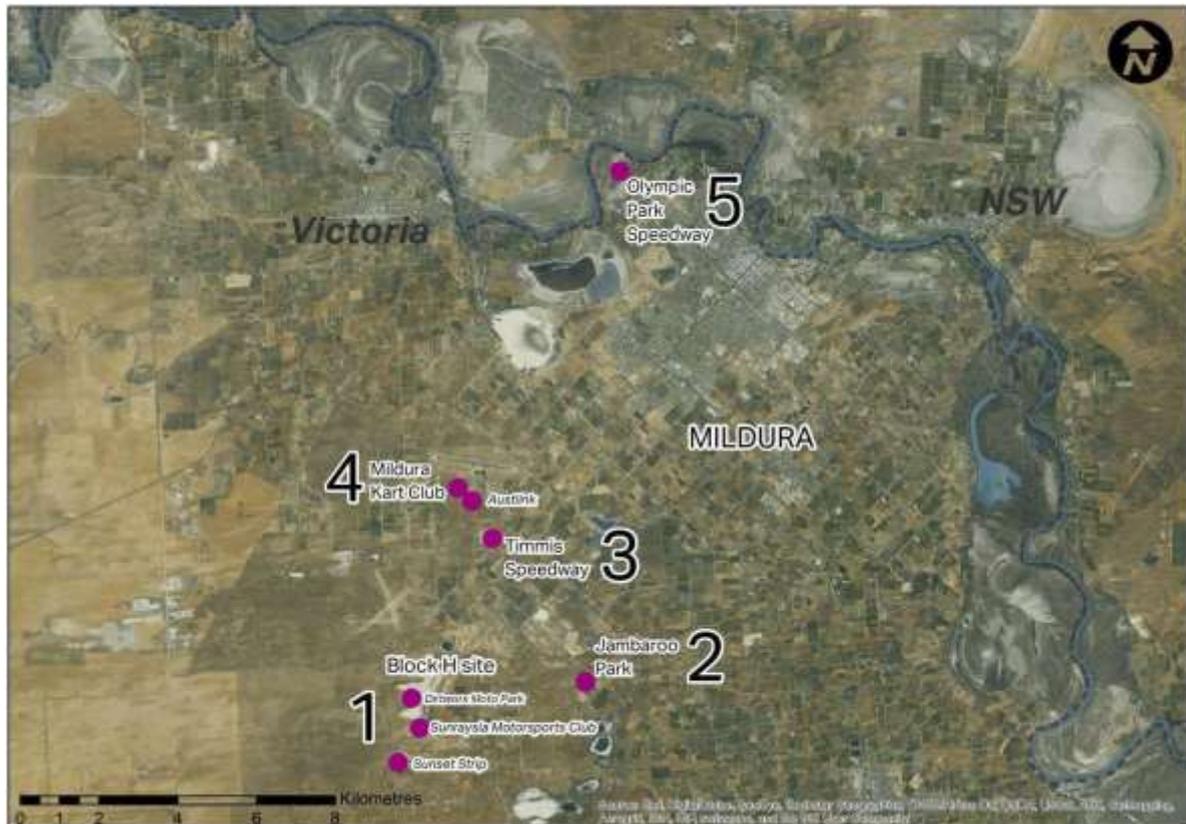
⁹ Murray Regional Tourism Board, *Murray Region Events Strategy*, March 2015

¹⁰ Murray Regional Tourism Board, *Murray Region Events Strategy*, March 2015

aged 15 and above¹¹, compared to an estimate of 2.8% of adults in the Mildura and Swan Hill LGAs.¹² High participation rates are reflected by the fact that Mildura hosts in excess of 90 motor sports events each year.¹³ While traditionally considered to be a land-based activity (using cars, motorcycles, go-karts, trucks or other vehicles), motor sports now encompasses a range of water-based activities as well, such as jet skiing, water skiing and wakeboarding.

A map of key motor sport sites in Mildura is contained below.

Figure 8 Motor sport facilities in Mildura, 2016



Source: AECOM

Motor sports represent an important component of Mildura's annual major event calendar, contributing an estimated \$21.4 million to the local economy each year.¹⁴ Key motor sport events include:

- Mildura Easter Power Sports – this comprises four sporting clubs who run major sporting competitions over the Easter long weekend. The clubs are the Mildura Ski Club, Sunraysia Drag Racing Association, Timmis Speedway and Mildura Motorcycle Club
- Hattah Desert Race – this off road race is the largest national junior and senior motorbike desert race in Australia. It usually takes place in July
- Goanna Run – the "Goanna Run" attracts Hot Rodders and their cars from all over Australia and internationally. This event takes place in October.

There are barriers to attracting additional events and visitation, however. In particular, the existing motor sport facilities in Mildura are dispersed, and at differing levels of suitability for visitors. This reflects the governance and management models, as all of the facilities are currently managed by local motor sport clubs. Each of the nine Mildura-based motor sport clubs manage their own facilities, a situation which has resulted in:

¹¹ ABS, 41770DO001_201314 Participation in Sport and Physical Recreation, Australia, 2013-14, and CAMS, *Economic contribution of the Australian motor sport industry – detailed report*, November 2014 (Ernst & Young)

¹² *North Western Victorian Motor Sports Feasibility Study: Final Report*, May 2011

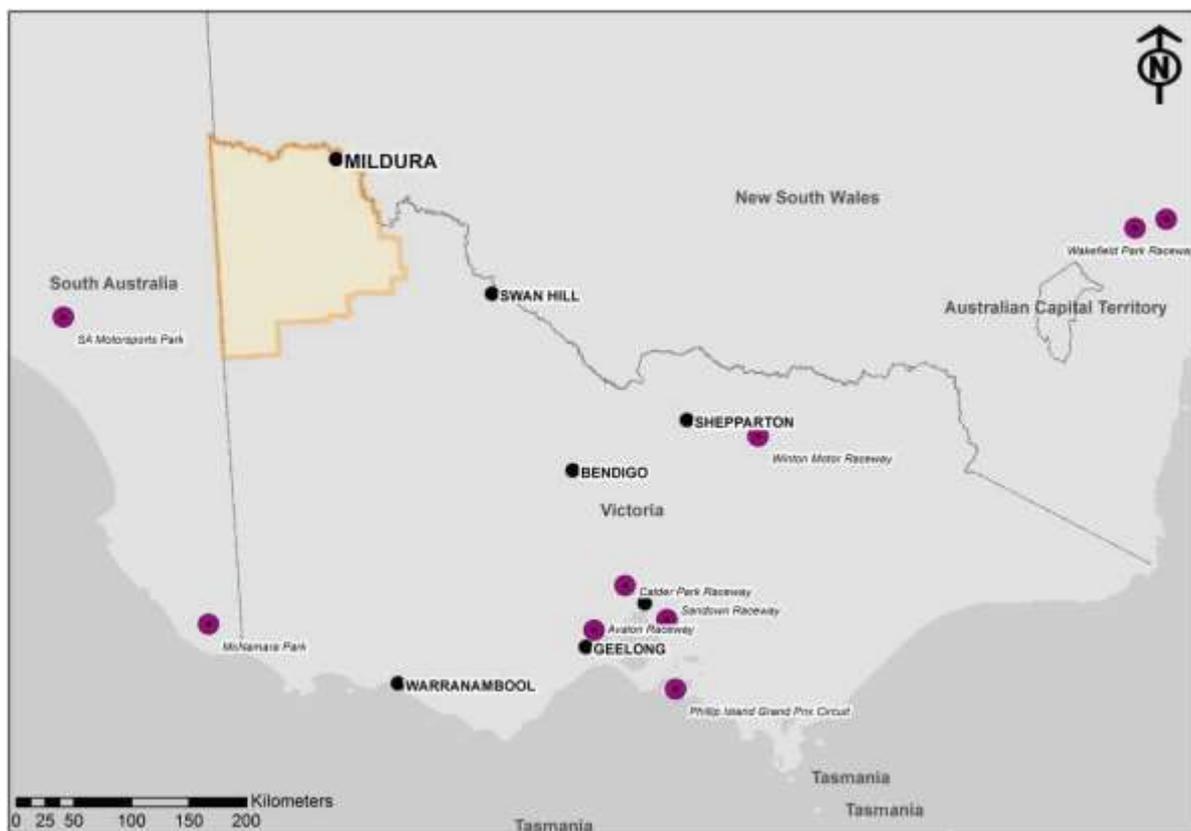
¹³ <http://www.mildura.vic.gov.au/Latest-News/Mildura-eyeing-title-as-motor-sports-capital-of-Australia>

¹⁴ *North West Victorian Motor sports Feasibility Study*, 2011

- Sub-optimal facilities. While the race tracks in some facilities are of a high standard, nearly all sites have little or no visitor/tourist facilities. For instance, there is little shelter or shade at most sites, limited catering facilities, and limited seating capacity (although most have substantial room for spectators to stand or sit on embankments)
- Many of the clubs have long term sustainability challenges. The escalating costs of compliance, insurance, marketing and other costs associated with holding events and training mean that the long term financial viability of clubs is in question. Additionally, clubs are dependent on volunteer efforts. Clubs consulted as part of this Full Business Case noted that the pool of volunteers has decreased over time as people face increasing economic pressure as well as competing social and recreational interests
- Leasing uncertainty and other site restrictions. Leasing arrangements for clubs differ, with sites leased from a mix of land owned by Council, Parks Victoria, Mildura Airport and private owners. In some cases (e.g. the Go Kart club on airport land), the future of the lease is in question. In another case (Timmis Speedway), development of the site is limited by its position under a flight path and environmental restrictions. Similarly, the Olympic Park facility managed by the Mildura Motorcycle Club has a number of environmental, heritage and compliance issues that are unlikely to be resolved at the current site.

The sub-optimal facilities coupled with low resource base for clubs have contributed to an inability to expand the event/visitor base. In addition to these issues, clubs are facing far more competition from other regional and metropolitan facilities that have been developed in the past decade or so. Major motor sport facilities in Victoria and elsewhere are indicated on the following map. Note that many of these facilities do not cater for the suite of disciplines represented in Mildura.¹⁵

Figure 9 Key motor sport facilities, Victoria, eastern South Australia and Southern New South Wales



A number of developments have reduced the competitiveness and attractiveness of Mildura's existing motor sport facilities for events. At present, major facilities in Victoria against which Mildura must compete for events include venues in and around Melbourne as well as regional sites such as Winton Motor Raceway at Benalla and the Phillip Island Circuit.

¹⁵ Mildura Rural City Council, *Australian Motor sports Raceways Benchmarking Review*, 2013

More recently, funding has been made available for track redevelopments in and around the region. The key investments are as follows:

- In 2014, the Victorian Government announced a contribution of \$2 million towards the construction of a quarter mile drag strip for the Swan Hill Drag Racing Club. Funding was received as a result of the North Western Victorian Motor Sports Feasibility Study, which recommended a number of actions to ensure the effective development of motor sports venues, including at Swan Hill. The balance of funding for the development was \$450,000 from Council and almost \$220,000 in-kind from the Swan Hill Drag Racing Club. The project includes nationally accredited quarter mile drag strip, braking areas, a return road, staging area, pit area and safety barriers
- In May 2015, the Commonwealth Government (through the National Stronger Regions Fund) announced funding of \$7.5 million towards the development of South Australia Motor sport Park at Tailem Bend. The \$40 million project, which could be completed as soon as 2016, will include a 7.2 kilometre long V8 circuit, a drag strip, a 4WD track, a rally track, a go-kart track, a 10,000 person grandstand, small runway, a four star hotel and a range of other facilities.

While these two new facilities will contribute to the competition currently faced by motor sport event managers in Mildura, they may also offer opportunities by creating a bigger aggregate demand pool for the broader region. Evidence from the United Kingdom and United States indicates that 'clusters' of motor sport facilities (circuits, clubs, events, retail and marketing, charities related to racing) deliver significantly more economic benefit than many standalone facilities. For instance, 'Motor sport Valley', a motor sport cluster located in the Midlands in England, is home to a huge array of companies, events, training and other organisations with interest in motor sport. It is estimated that this cluster is home to some 3,500 companies associated with motor sport, employing around 41,000 people, with collective turnover of around £9 billion.¹⁶

By working with other facilities, there is an opportunity to develop a dynamic industry cluster based in the Sunraysia region. Discussions with the Tailem Bend facility indicate strong support for both the Mildura motor sport precinct as well as a coordinated regional approach to event attraction and staging.

Summary

Tourism numbers have been slowly declining for the last decade in Mildura. Additional attractions are needed to increase Mildura's interest as a tourism and lifestyle destination. Motor sport events have a strong support base in the region, and analysis indicates that these events attract strong visitation from interstate and from the rest of Victoria. While the Mildura region has a solid base for motor sport events, without appropriate investment, this will be eroded by competition from other venues across Victoria and interstate.

Despite the strong events profile, there has been little new investment in motor sport infrastructure in Mildura over the last 15 years. The motor sport events sector is already making a significant contribution to tourism and the Mildura economy, but the infrastructure is disjointed and at risk of dilapidation.

Problem 3: Many of Mildura's vulnerable are struggling to engage productively in society, resulting in growing disadvantage and dependency (10%)

Mildura's population is characterised by high levels of social and economic disadvantage, faring poorly compared to State averages for income, health and educational attainment.

¹⁶Some selected highlights from the 2013 Review of UK's Motor sport Valley Business Cluster, Motor sport Industry Association UK, 2013

Incomes

Average incomes in Mildura are considerably below the averages in regional Victoria and Melbourne. The following table outlines the proportion of households defined as a low, medium and high income, where:

- Low income is defined as \$800 per week or less
- Medium income is defined as \$801 to \$1,499 per week
- High income is defined as \$1,500 or more per week.

In Mildura, nearly 59% of households were low or medium income earners in 2011 (29.6% low income and 29.1% medium income). This is well above the Melbourne average, where 42.4% of households were defined as low or medium income earners. Family incomes by category for 2011 are outlined in the following table.

Table 2 Family incomes, 2011

Area	Low income	Medium income	High income	Not stated
MRCC	29.6%	29.1%	28.3%	13.1%
Regional Victoria	26.6%	28.0%	33.4%	12.0%
Melbourne	19.7%	22.7%	46.3%	11.2%

Source: MRCC and Northern Mallee Community Partnership, *Mildura Social Indicators: Report 2012*, August 2014

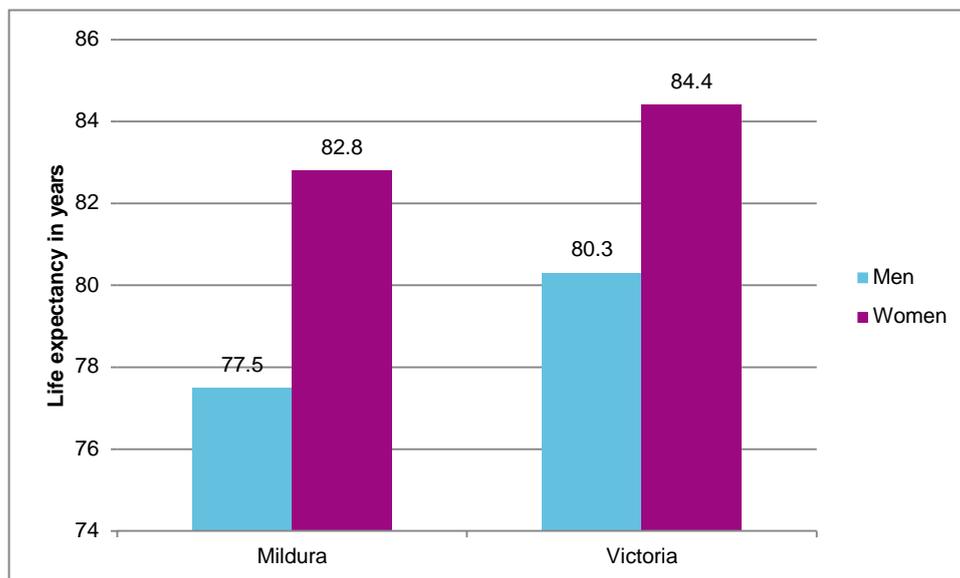
Life expectancies

Similarly, life expectancies in Mildura are below the State average. While data is not current, life expectancy estimates from 2007 indicate that:

- There was a differential of 2.8 years life expectancy between Mildura and the State average for men
- There was a differential of 1.6 years life expectancy between Mildura and the State average for women. This was less than the differential for men, but still significant.

Life expectancy data is set out in the following figure.

Figure 10 Life expectancy at birth, 2007



Source: MRCC and Northern Mallee Community Partnership, *Mildura Social Indicators: Report 2012*, August 2014

Educational attainment and work

Consistent with other poor social indicators, Mildura has below average attainment in educational qualifications, for both secondary school and post-secondary education. In addition to being an absolute measure of disadvantage, it also demonstrates the low level of engagement among young people in Mildura with educational (as well as employment) opportunities. The differences between Mildura and Melbourne are stark:

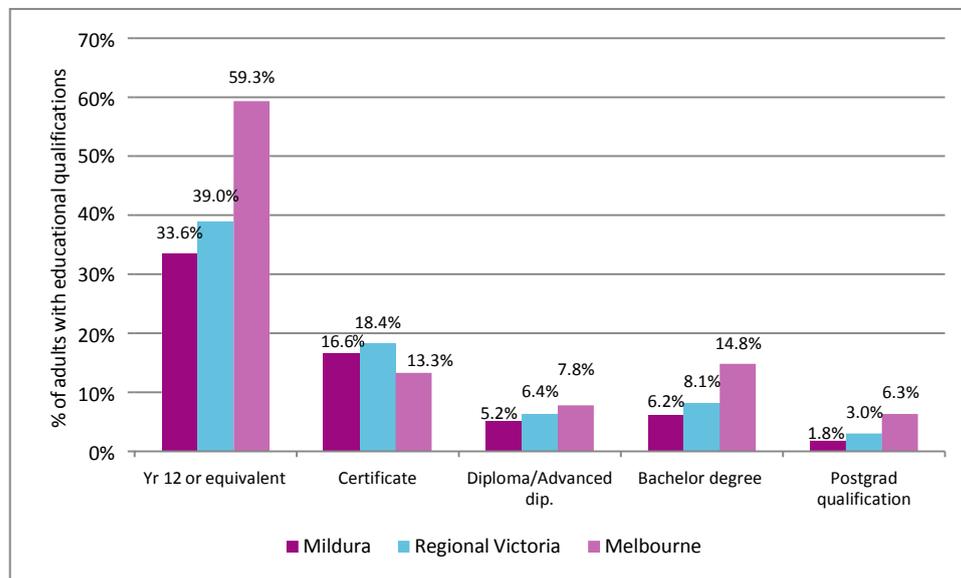
- In 2011, 59.3% of residents in Melbourne completed Year 12 or equivalent, compared to just 33.6% in MRCC
- In the same year, 14.8% of Melbourne residents held a Bachelor degree, compared to 6.2% of MRCC residents
- A total of 6.3% of Melbourne residents held a postgraduate qualification (postgraduate certificate, diploma or degree) compared to 1.8% of MRCC residents.

While part of the difference has been driven by migration to Melbourne for work and other opportunities, the differential in educational attainment is significant. More complete data is outlined in the figure below.

Poor education engagement will likely escalate into major economic and social challenges for young residents in the future. The link between greater educational attainment and higher incomes is well documented. In its report of 2010, *'The Effects of Education and Health on Wages and Productivity'*, the Productivity Commission found that higher education levels had a positive impact on wages. Comparing wage differentials for men, for instance:

- Men with a Bachelor degree or higher earned an average of 38% more than men with Year 11 or less attainment
- Men with a diploma or certificate earned 13.8% more than men with Year 11 or less attainment
- Men with Year 12 attainment earned an average of 12.8% more than those with Year 11 or less.¹⁷

Figure 11 Educational attainment, Mildura, regional Victoria and Melbourne, 2011



Source: MRCC and Northern Mallee Community Partnership, *Mildura Social Indicators: Report 2012*, August 2014

¹⁷ Forbes, Matthew et al, *The Effects of Education and Health on Wages and Productivity: Productivity Commission Staff Working Paper*, March 2010

SEIFA

Socio-Economic Indexes for Areas (SEIFA) are produced by the ABS and are based on census data.

SEIFA ranks areas across Australia to relative social and economic disadvantage, with those most disadvantaged areas ranking high, and more advantaged areas having a lower ranking. For the purposes of SEIFA, the ABS defines 'disadvantage' as being:

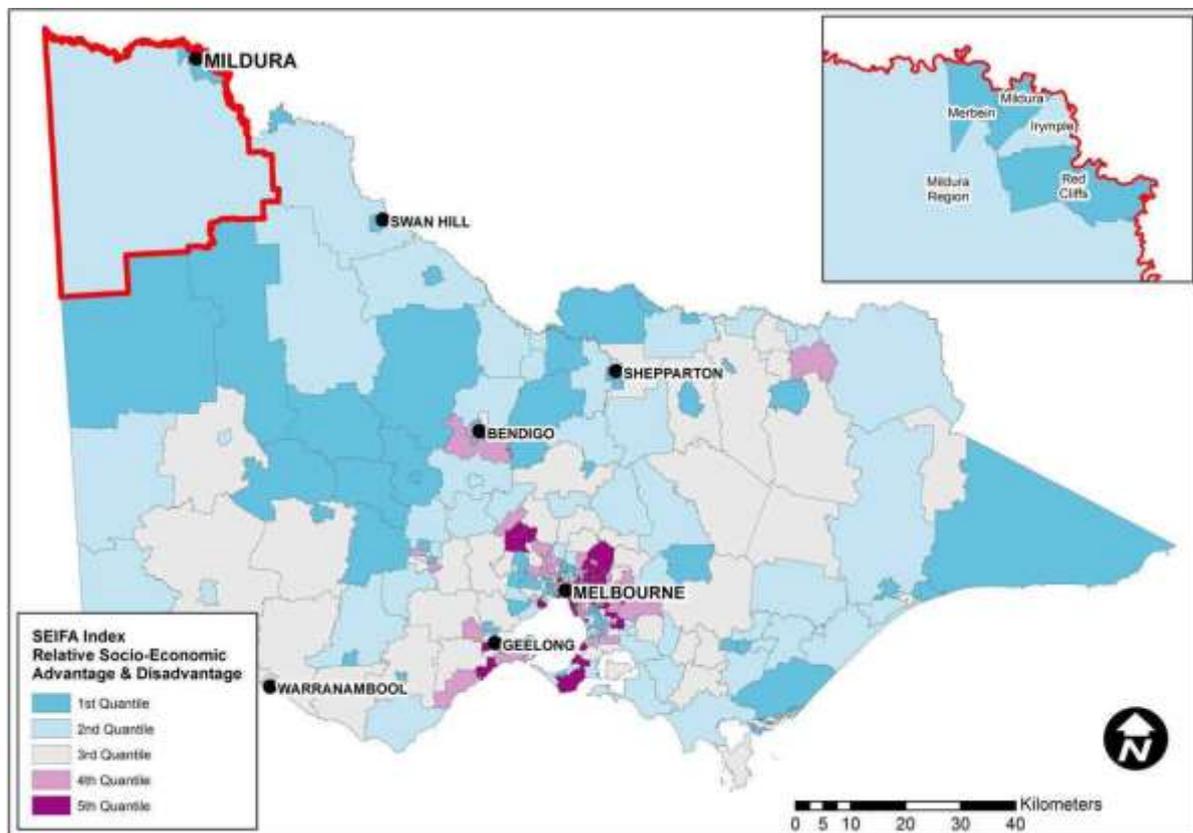
*"people's access to material and social resources, and their ability to participate in society."*¹⁸

SEIFA comprises four indices, which together are used to establish a ranking relative to the 'average' population. These are:

- Index of Relative Socio-economic Disadvantage (IRSD)
- Index of Relative Socio-economic Advantage and Disadvantage (IRSAD)
- Index of Education and Occupation (IEO)
- Index of Economic Resources (IER).

Each index comprises a range of variables which have been used in its calculation.

Figure 12 SEIFA quartiles, Victoria



¹⁸ ABS, *Technical Paper: Socio-Economic Indexes for Areas (SEIFA)*, 2011

Based on SEIFA, Mildura ranks highly in national and Victoria terms for disadvantage:¹⁹

- Out of 564 Local Government Areas (LGA) nationally, Mildura is ranked 117 for disadvantage. In Victoria, Mildura ranks the third highest for disadvantage out of 79 LGAs
- At the small area level (comprising a total of 2,104 areas), parts of Mildura rank among the most disadvantaged in Australia, with Mildura township ranking as 238, Red Cliffs at 246, and Merbein at 353
- Of the 420 small areas in Victoria, Mildura township ranks as 32, Red Cliffs at 33, and Merbein at 52.

While the potential benefits of resolving this problem are discussed in the next section, it is expected that an initiative that brings new employment and training opportunities to the region will have positive impacts on employment, workforce participation education and the related social and health problems that accrue as a result of adverse economic outcomes.

Summary

Data indicates that Mildura is characterised by high levels of social and economic disadvantage, including poor education, health and youth employment outcomes. Using SEIFA, Mildura is ranked as the third most disadvantaged LGA in Victoria.

1.4 Evidence of the problem

This section summarises the evidence base for the three problems articulated above, and presents the key indicators.

Table 3 Evidence of the stated problems

Problem	Evidence
Threats to future investment in established industries will result in a move toward more transient, unreliable employment	<ul style="list-style-type: none"> • Slow employment growth in MRCC. During the decade 2001-2011, total employment in Mildura grew from 20,661 to 21,481, an increase of 4%. By contrast, during this time the population of Mildura expanded by 6.2% (an increase from 48,386 to 51,372). This implies that employment growth is not keeping up with population growth. While some of this discrepancy can be explained by an ageing population, it also indicates decreased workforce participation, and the associated dependency issues that can accompany it. • MRCC estimates that some 1,500 farmers exited the sector over the last decade, and that in most of these cases, the land has not been sold or leased for further agricultural use. • Decreasing employment in traditional industries, particularly agriculture and manufacturing in MRCC. Employment in agriculture, forestry and fishing decreased from 3,682 to 2,393 between 2001 and 2011 (a decrease of 35%), and employment in manufacturing declined by 18% (2,013 to 1,653) over the same period. • The workforce in MRCC has moved towards part time employment, leading to greater workforce uncertainty and stress. The proportion of part time workers increased from 27.6% to 32% in the decade to 2011, with a concomitant reduction in the full time workforce
A lack of widespread recognition for Mildura's existing tourism and lifestyle strengths creates the perception that it is an uninspiring destination	<ul style="list-style-type: none"> • Decreasing number of domestic visitation and visitor nights in MRCC. Domestic visitor nights in Mildura have decreased 1.55 million in 2006-07 to 1.48 million in 2014-15. • Increased number and quality of other motor sport facilities across Victoria, resulting in increased competition for Mildura-based clubs. • Motor sport events in Mildura attract high attendance of 2,280 per event on average, with a high proportion of visitors (72% of all attendees at events from outside the region). • Dispersed management of the current motor sport sites and their infrastructure limitations are inhibiting further growth in this important event market.

¹⁹ ABS, SEIFA data, www.abs.gov.au

Problem	Evidence
<p>Many of Mildura's vulnerable are struggling to engage productively in society, resulting in growing disadvantage and dependency</p>	<ul style="list-style-type: none"> • Mildura suffers from a high level of social and economic disadvantage. • In terms of income distribution, 29.6% of households in MRCC are classified as 'low income', compared to 19.7% in Melbourne. Similarly, only 28.3% are classified as 'high income', compared to 46.3% in Melbourne. • Life expectancies are substantially lower in Mildura compared to the Victorian average. Average life expectancy for men is 77.5 years compared to a Victorian average of 80.3 years. Similarly, the average life expectancy for women in MRCC is 82.8 years, compared to 84.4 years for the Victorian average. • Average levels of educational attainment are lower in Victoria compared to the rest of the State, particularly Melbourne. Only 33.6% of the working age population have attained Year 12 or equivalent in Mildura, compared to 59.3% in Melbourne. Similarly, 6.2% of the working age population has a Bachelor degree compared to 14.8% in Melbourne. In addition, only 1.8% of the working age population of MRCC has a postgraduate qualification, compared with 6.3% in Melbourne. • Young people are disproportionality disengaged in Mildura. In 2011, 75.5% of 15-19 year olds in Mildura were in employment or education, compared to 83.8% across Victoria.²⁰ • Similarly, 10% of people aged 15-24 years old in Mildura were receiving the unemployment benefit in 2011, compared to 4.4% of the same cohort across Victoria.²¹ • Mildura ranks very high on the Socio-Economic Index for Areas (SEIFA) prepared by the ABS. a high ranking indicates a relatively high level of disadvantage compared to the average Australian population. In Victoria, Mildura is ranked 3 out of a 79 LGAs, indicating is the third most disadvantaged LGA in the State in social and economic terms. In Australia, Mildura ranks 117 out of 564 LGAs.

1.5 Timing considerations and consideration of the broader context

There are a number of timing related considerations that need to be considered in this Full Business Case.

Most critically, Mildura is facing increasing economic hardship relating to declining traditional industries. As the unemployment rate trends up and workforce participation declines, there is a pressing need to support the region to expand alternative economic sectors.

Other timing issues include the following:

- The project is expected to involve a number of the existing motor sport clubs in Mildura. Some of these have ageing/sub-optimal facilities which will need to be replaced or upgraded over the next 2-5 years. An investment now will resolve the need to invest in other facilities, and will provide an opportunity for the sector to consolidate within a single precinct. It will also free up other sites for alternative uses. Note that not all clubs are supportive of moving in the short term (within five years) and have indicated that their preferred timing is in 20 years or more
- There are significant environmental issues at current motor sports sites, which is detailed in the North West Motor sports Feasibility Study

²⁰ Mildura RCC, *The State of Mildura Rural City's Children & Young People: 2014 Report*, 2014

²¹ Ibid.

- There are currently redevelopments of motor sport facilities in Swan Hill and Tailem Bend. Together with Mildura, these sites would represent a 'critical mass' of motor sport facilities, capable to developing centres of motor sport excellence across the region. As noted earlier, there are a range of successful motor sport clusters, particularly in the United Kingdom and the United States. The development of facilities in Swan Hill and Tailem Bend represents an opportunity for Mildura, as well as these other regions, to develop a motor sport 'cluster'. By connecting the developments and cooperating with each other, they have the capacity to:
 - Attract joint events, or a series of events which would benefit all three sites. This could be done through joint planning and marketing, an annual event calendar for all three sites, and using the 'market power' of the three facilities to attract events
 - Based on the experience of the Motor sport Valley (UK) cluster or the motor sport cluster in the Indianapolis region (USA), the development of 'cluster' facilities, that can cater to diverse disciplines and at different levels of expertise and cost (e.g. major international events, State based events and club events), will attract investment from related industries. These can include motor sport parts and servicing, event management, manufacture, accommodation and hospitality, research and other industries. Clustering provides a base to attract large, multi-disciplinary and multi-location events, and provides a basis for strong product differentiation.

2.0 Benefits

The anticipated benefits of addressing the problems outlined in Section 1 are as follows:

- Improved health and wellbeing throughout the Mildura community
- Mildura attracts and retains a diverse and active population
- A more resilient, growing tourist industry
- Diversity of the tourism offering
- Diversifying the economy (currently underpinned by horticulture & agriculture)

These are explored below.

2.1 Benefits to be delivered

Benefit 1: Improved health and wellbeing throughout the Mildura community

Addressing the problems articulated in Section 1 will support improvements in the health and wellbeing of the Mildura community through:

Increased opportunities for work, including in sectors with growth potential such as tourism

High disadvantage and poor health outcomes are strongly correlated with limited work opportunities, declining industries and lack of certainty in paid employment. For instance, the Australian Chamber of Commerce and Industry (ACCI) has noted the strong causal link between unemployment, poor health and poor educational attainment.²² Similarly, research from the United Kingdom found that chronic job insecurity resulted in increasing stress and morbidity among workers.²³

Addressing the issues related to disadvantage, dependency and workforce insecurity will involve generating new economic opportunities in the Mildura region. In particular, efforts need to be focused at supporting a rebalancing of the local economy, and encouraging those either unemployed or not in the workforce to seek meaningful training and employment through these renewed opportunities. This increased workforce engagement will result in:

- Increased job opportunities, security and career paths for the local community
- Reduced community stress and the associated health impacts resulting from unemployment and/or job insecurity.

Investment in tourism will support the development of new jobs in Mildura, for experienced workers and those just entering the workforce. Evidence suggests that an events-based tourism facility will maximise visitation, and will build off an already strong base of events within the Mildura community. Investments to grow tourism will also provide opportunities for the development of new tourism and leisure based activities, as well as education and training opportunities. For instance, Sunitafe has indicated that there is demand for motor vehicle based skills, and that it would be interested in talking advantage of a new facility investment to increase its offerings of this sort of vocational training. Similarly, the development of new tourism facilities will provide employment opportunities in hospitality, retail, events management, and other related industries.

Increased opportunities to engage with recreational and other community-based activities

Evidence suggests that participation in sport and recreational activities contributes to enhanced social capital, resulting in safer communities, stronger identities, and improved community health and wellbeing.

²² ACCI, Unemployment and poor health are linked, media release, 20 July 2014

²³ Ferrie, J.E. et al, *Effects of chronic job insecurity and change in job security on self reported health, minor psychiatric morbidity, physiological measures, and health related behaviours in British civil servants: the Whitehall II study*, Journal of Epidemiol Community Health 2002;56:450–454

Tonts (2005) found that participation in local sporting clubs in the West Australian Northern Wheatbelt contributed significantly to the wellbeing of residents, through improved physical activity as well as social interaction.²⁴ Similarly, Larkin (2008) found that experience from around the world and across Australia indicated strong links between community sport and recreation and enhanced community wellbeing.

Similarly, the 2014 Ernst & Young report undertaken on behalf of CAMS (Economic contribution of the Australian motor sport industry – detailed report) found that:²⁵

- The 17,419 licenced volunteer officials in Australia are responsible for running the majority of motor sport events held each year
- Motor sport is the fourth most watched sport in Australia and 80% of people surveyed said 'being with family and friends' is an important reason why they are involved.

An investment that enables the Mildura community to have further opportunities for participation and coming together, and which strengthens the viability of existing community-based organisations and clubs, will enhance wellbeing and health outcomes. This could include opportunities for disadvantaged youth groups (e.g. indigenous, migrant youth) to engage in social interaction. Although no longer operational, Mallee District Aboriginal Services (MDAS) previously operated an indigenous V8 supercar team. The team provided significant benefits for participants, around work and social skills, engagement, and confidence. MDAS's current strategic plan seeks to enhance community social capital and look for ways to bring the community together and create role models.

Benefit 2: Mildura attracts and retains a diverse and active population

The Victorian Government recognises that job creation and liveability are critical components in attracting and retaining population in regional areas²⁶, a perspective that is supported more broadly by the Commonwealth and other State Governments.²⁷

An investment that addresses the problems identified in Section 1 will:

- Provide expanded and high quality job opportunities and upgrading of the skills base for Mildura residents. It will assist in diversifying the economy, away from contracting traditional industries towards sectors with better growth potential. These improved economic opportunities will reduce the number of people leaving Mildura for economic/career reasons, and should attract new residents to settle in the region. A major tourism project would provide ongoing employment opportunities across a range of industries, including retail, hospitality, event management, security and motor vehicle racing and maintenance. It additionally would provide opportunities for casual workers and volunteers, potentially linked to major events
- The liveability of Mildura will be enhanced by an investment, that not only provides job opportunities, but which increases or enhances opportunities for community engagement, recreation and events. Improved liveability, achieved through better recreational and community options, also increases population retention and attraction.

The Australian motor sport industry has been shown to contribute to knowledge and skills development, which supports both the motor sport industry as a whole and students and workers.²⁸ Examples identified by Ernst & Young in their report on the economic impact of motor sport included:

- CAMS Foundation supports young professional drivers with training and participation
- Australian Institute for Motor Sport Safety (AIMSS), which works to enhance safety through training, research and education
- CAMS Driver Development Program, carried out in conjunctions with the Australian Institute of Sport and Australian Sports Commission.

²⁴ Tonts, Matthew, *Competitive sport and social capital in rural Australia*, Journal of Rural Studies 21 (2005), 137-149

²⁵ CAMS, *Economic contribution of the Australian motor sport industry – detailed report*, November 2014 (Ernst & Young)

²⁶ www.rdv.vic.gov.au

²⁷ Standing Committee on regional Development for the Regional Development Council, *Attracting and retaining skilled people in regional Australia: a practitioner's guide*, 2004

²⁸ CAMS, *Economic contribution of the Australian motor sport industry – detailed report*, November 2014 (Ernst & Young)

Benefit 3: A more resilient, growing tourism industry

As noted in Section 1, tourism has experienced job growth over the last decade in Mildura, even if tourism numbers have flattened. Successful tourism has the ability to generate private sector investment and growth, which will be key to Mildura developing a more resilient economy.

The benefits of an investment in Mildura will be:

- An expanding, dynamic tourism sector, which creates new, quality jobs and will offer a career path for residents in Mildura
- A sector which offers training and work experience, as well as workforce entry jobs to youth, indigenous and migrant communities. For instance, Barbagallo Raceway in Western Australia through a partnership with and Edith Cowan University provide raceway opportunities for disengaged youth.²⁹

The value of motor sport – employment, events and activities

The motor sport sector has the potential to contribute significantly more to the economy of Mildura than at present, particularly with regard to motor sport events. While there is limited data relating specifically to Mildura, there is up-to-date information from research undertaken by Ernst and Young on behalf of CAMS, which sought to identify the social, economic and tourism value of motor sport to Australia and individual states.³⁰ This 2014 study, *Economic contribution of the Australian motor sport industry – detailed report*, notes the significant impact that motor sport events have on national, state and regional economies each year. It also indicates that the sector should continue to grow. In particular, the study found that:

- On average, motor sport competitors spend between \$12,000 and \$15,000 a year on motor sport activities and \$60,000 on motor sport vehicle purchases and initial modifications. Spectators at events, including competitor support teams, will also spend significant amounts of money
- In Australia 150,000 people participate in motor sports. The direct industry output is \$2.7 billion and direct added value is \$1.2 billion, and the sector generates 16,300 jobs
- In Victoria, the direct economic output from motor sports is \$691 million per annum. The value add is around \$300 million and the sector accounts for 4,209 jobs annually
- Motor sport is the fourth most watched (in terms of spectator attendance) sport in Australia, behind only Australian Rules football, horse racing and rugby league.

As noted in Section 1, motor sport based tourism contributes \$21.4 million to the Mildura economy each year. The size of the sector in Victoria, and its continued growth, indicate that there is potential to significantly increase its economic contribution to Mildura.

The potential to attract additional motor sport events is also illustrated by the active membership of the 321 motor sport clubs based in Victoria (1,391 in Australia). These clubs have a total of 22,664 members of which:³¹

- 14,079 only compete in events
- 915 both compete and officiate
- 4,402 only officiate
- 5,268 are 'other' club members.

The CAMS report notes that there are 1,429 motor sport events each year in Victoria (6,247 in Australia). Social events account for the largest number each year, these being events that are not linked to a particular racing event. Other disciplines accounting for a large number of events include circuit racing, karting and speed events (non-circuit racing).

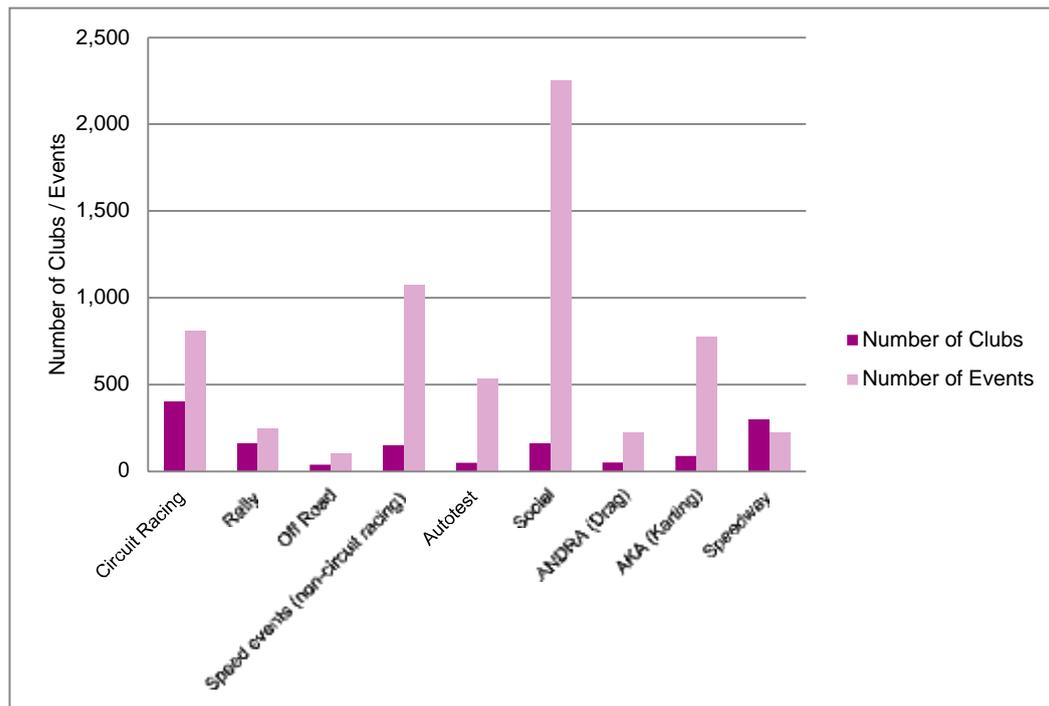
The figure below identifies the clubs and events associated with each of the main discipline areas.

²⁹ MRCC, *Australian Motor sports Raceways Benchmarking Review*, 2013

³⁰ CAMS, *Economic contribution of the Australian motor sport industry – detailed report*, November 2014 (Ernst & Young)

³¹ CAMS, *Economic contribution of the Australian motor sport industry – detailed report*, November 2014 (Ernst & Young)

Figure 13 Club and Events by Discipline



Source: Ernst and Young, *Economic Contribution of the Australian Motor Sport Industry Overview*

Evidence from other motor sport facilities indicates that they bring significant economic benefits to their local communities. For instance, the Collie Motorplex in Western Australia, which was developed on the site of a disused mine site, was found to increase sales for local businesses as a direct result of new visitors coming to compete at and watch events at the facility.³²

Events

As noted in Section 1, motor sport events in Mildura attract an average of 2,280 attendees, 72% of which are visitors.³³ In addition to events noted in Section 1, a number of new events have recently been attracted to the region, including:

- In October 2015, the World U21 Speedway Championships were held at Olympic Park. This was the first time this event has ever been held outside of Europe. Around 3,000 people attended the event
- The Sunraysia Drag Racing Association hosted the national round of the Sportsman Series in November 2015 with up to 130 teams. The event was aired on Speedweek on the 20th of December.

The value of each discipline

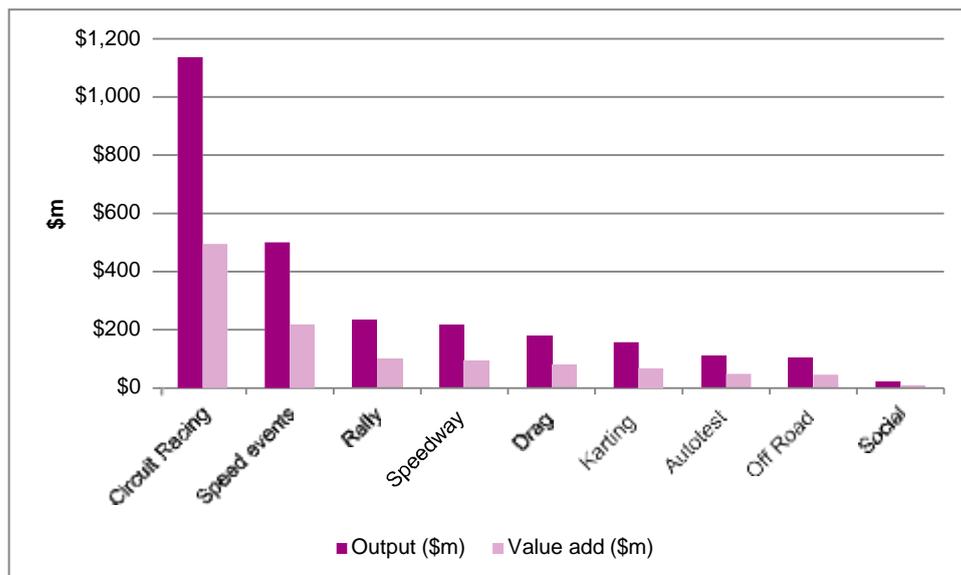
The assessment of the financial output and value-add to the local economy of motor sport, identifies circuit racing as providing the greatest opportunity to generate income locally for the wider community. This is generally due to the opportunity such circuits deliver for corporate use, driver training and driver / rider experience days. There is generally a strong commercial opportunity available through the hiring of such venues by commercial event bodies and auto companies who are seeking to test drive or promote new lines. Speedway provides a significant financial value add to the local economy which is comparable to rallying.

Output impacts (first round) and value add impacts (flow on impacts) are outlined in the following figure.

³² Cross, Alan, *Case Study Assignment: Motoring South West*, November 2001

³³ Murray Regional Tourism Board, *Murray Region Events Strategy*, March 2015

Figure 14 Industry output and value add (Source: Ernst and Young: Economic Contribution of the Australian Motor Sport Industry)

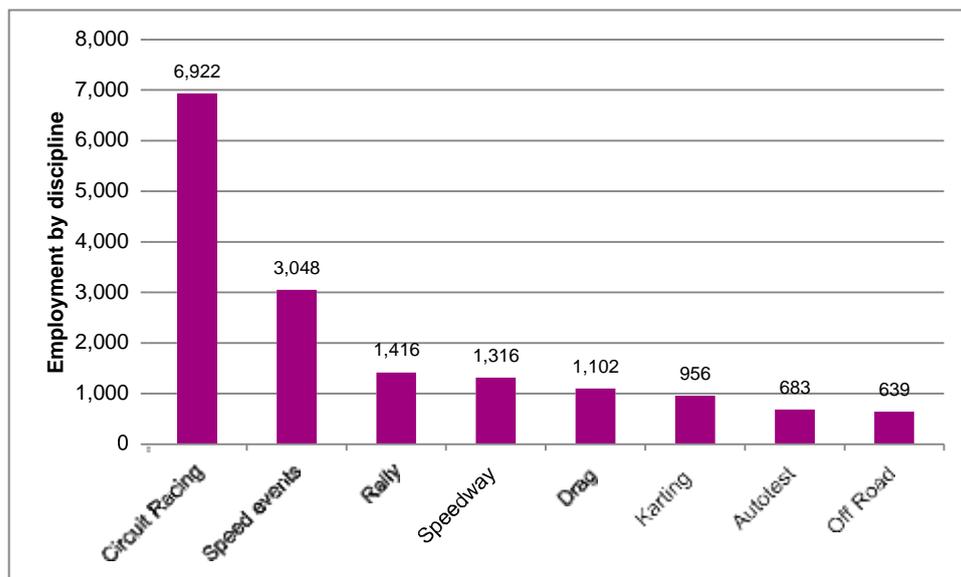


Source: Ernst and Young, *Economic Contribution of the Australian Motor Sport Industry Overview*

While social activities generate the highest number of events, they tend to generate relatively little financial output and value add to the local economy, being largely localised activity and undertaken on an individual basis.

In terms of employment, circuits dominate the motor sport employment sector with approximately 7,000 jobs across Australia aligned to the operation of these facilities. This is generally attributable to the number of employees required to manage and maintain the infrastructure, operate events and deliver driver / rider training activities. Speed events also generate relatively high levels of employment across Australia (3,000) whilst rallying, speedway, drag and karting employ approximately 1,000 per discipline across the nation.

Figure 15 Employment by motor sport discipline (Source: Ernst and Young: Economic Contribution of the Australian Motor Sport Industry)



Source: Ernst and Young, *Economic Contribution of the Australian Motor Sport Industry Overview*

This data indicates that a facility that focuses on circuit racing, speed events and rally are most likely to maximise the economic impact for Mildura.

In addition to sport and recreation focused events, there is also an opportunity to attract additional business events to the region. Currently, Mildura has a maximum 400 seat conference facility. The Murray Regional Events Strategy identifies the potential for the region to host additional, high yield business events, but notes that the lack of conference facilities is a major barrier to grow in this market segment.³⁴ There is the potential to develop a larger conference facility (600-1,000 seats) in the region which would capture a larger market share of business events, for conferences, training or business hospitality.

2.2 Alignment with Government priorities

Victoria's 2020 Tourism Strategy

Victoria's 2020 Tourism Strategy explicitly recognises that regional Victoria faces significant challenges to its tourism sector, particularly around the attraction of both domestic and international visitors. It notes the need to develop and promote "unique experiences on offer in Victoria" as a means of attracting visitors.

There are several actions contained in the Strategy that are relevant to the problem definition identified. These are:

- Work to attract and build events in regional Victoria – the problems identified could be mitigated in part through attracting new events to Mildura, with the associated employment opportunities
- Support the upgrade of major tourism attractions to ensure they are recognised as internationally acclaimed experiences – strengthening the tourism industry in Mildura may require investment in existing or new facilities, to enhance its attraction as a tourist destination.

Murray Regional Tourism Board – Murray Region Events Strategy

The Murray Regional Tourism Board (MRTB) was established in 2010 through an agreement between Destination NSW, Tourism Victoria and 14 local government councils along the Murray. Its purpose is to develop a coordinate approach to developing tourism activities and growing the visitor economy in the Murray Region.

In March 2015 MRTB released the *Murray Region Events Strategy*. The Strategy explicitly recognises the value that events based tourism provides to regional economies, and aims to leverage off the existing events base to grow this form of tourism. A part of the Strategy, it recognises the need to promote events and provide training to underpin the creation of new events and the attraction of existing events to the region. The Strategy notes the importance of motor sport and business events to the Mildura region and argues that Mildura has a comparative advantage in hosting events of this nature

MRCC

The need to grow tourism and event based activity is explicitly outlined in several MRCC strategies:

- *Council Plan 2013-2017* – this outlines MRCC's vision and priorities for the four year period. This business case will support Council's delivery of objectives under Sections 1.6 (Recreation and Sport), 3.1 (Economic Development) and 3.2 (Tourism and Events)
- *Events Strategy 2014-2019* – this Strategy outlines Council's role in supporting and facilitating major and community events. It recognises that events can bring substantial economic, community, social and cultural benefits to Mildura. The Strategy identifies two 'tiers' of events, these being events that deliver major economic and tourism outcomes and events delivering community benefits. It recognises the role for Council as being to support event organisers with strategic planning, capacity building, and facilitating events
- *Mildura Tourism 3 Year Strategic Plan, 2015–2017* – this seeks to build on efforts to change people's views of the Mildura region, in particular, seeking to position the region as a modern and vibrant destination that is continually growing, evolving and improving. This plan recognises that successful tourism destinations, products and experiences must be continually refreshed and revitalised to maintain existing customers and to generate new ones. To achieve this, new investments, creating new venues and destinations, will be required

³⁴ Murray Regional Tourism Board, *Murray Region Events Strategy*, 2015

- *MRCC Recreational Strategy 2008-18* – this document outlines the strategy for recreation provision in Mildura over the decade from 2008. Section 6 of this strategy commits Council to working with communities to plan for long term sports and recreation infrastructure needs.

Australian Motor Sports Raceways Benchmarking Review

MRCC conducted the Australian Motor Sports Raceways Benchmarking Review in 2013. The purpose of the benchmarking review was to identify motor sport racetracks around Australia, and benchmark them in terms of usage, financial viability, ownership models, economic benefits and other indicators. A total of 13 raceways were reviewed, with sufficient data to benchmark nine of these.

Key findings from the benchmarking review included the following:

- Highlighted the financial viability of a bitumen raceway in Mildura
- Mildura's isolation is an asset. Mildura's catchment area for motor sport events (400 kilometre radius) means that people who travel for events will stay for more than a day, thereby increasing the overall visitor spend in the region
- Mildura's catchment is large enough to financially support a motor sports raceway. There are nearly 2.1 million people living within a 400 kilometre radius of Mildura, slightly less than successful raceways such as Ipswich (equivalent catchment of 2.9 million people) and considerably higher than the two raceways in Tasmania
- The location of a racetrack at Block H is positive because it is removed from urban encroachment issues, thus reducing conflict between residents and the motor sport asset
- Mildura has an opportunity to design a racetrack from scratch, and will be able to take into account the lessons learned from other racetrack developments
- There are a range of owner/operator models across Australia, with differing levels of facility utilisation and economic benefits. All of the models have proven to be financially sustainable, with the least utilised (Tasmanian racetracks) still able to operate on a financially viable model.

2.3 Evidence of benefit delivery

The approach to measuring benefits is outlined below. It will involve a mix of public and non-public data sources. More detail is contained in the Benefits Management Plan (see Appendix B).

Table 4 Benefits measurement

Benefit	KPI	How measured	Baseline data
Benefit 1: Improved health and wellbeing throughout the Mildura community	Job quality	The number of new full time equivalent jobs created in Mildura	13,213 full time employees (2011 census)
	Participation in recreational activities by vulnerable communities	Total participation in motor sport clubs in Mildura RCC	1,470 This is the estimated number of motor sport club members currently in Mildura
		Participation in motor sport clubs by youth (18-25 year old) in Mildura RCC	29% Based on 2009 Stratcorp motor sport survey
Benefit 2: Mildura attracts and retains a diverse and active population	Job diversification	Growth in employment in tourism sector (Accommodation and food services)	1,574 employees (2011 census)
	Participation in recreational activities by diverse communities	Participation in motor sport clubs by diverse communities (unemployed and women) in Mildura RCC	At least 20% of members are women At least 2% of members are unemployed Based on 2009 Stratcorp motor sport survey

Benefit	KPI	How measured	Baseline data
Benefit 3: A more resilient, growing tourism industry	Visitors to events	% of visitors who come to Mildura principally for events and festivals	10% (2015 data)
	Investment in tourism and recreation	Annual private investment in tourism businesses	\$2.42 million per annum

2.4 Interdependencies

The key interdependencies relate to maximising economic impacts and ensuring engagement from disadvantaged groups.

- Maximising economic impacts – any benefits need to have broad based positive impacts for the whole community, through increased jobs, investments and other opportunities. This includes ensuring that:
 - Any investment is marketed appropriately as part of broader tourism and investment strategies
 - Any investment seeks to gain leverage from other funding sources and groups who will improve its quality, demand profile and sustainability
 - Ensuring engagement from and benefit to disadvantaged groups in the community. This includes ensuring that:
 - Appropriate training and employment opportunities are provided for residents, including disadvantaged groups, as part of this process
 - Clubs and user groups are encouraged to provide training, competition, volunteering, social and other opportunities to a wide range of community groups and interests.

3.0 Strategic response

3.1 Method and criteria

A Strategic Options workshop was held involving representatives from MRCC. The focus of the workshop was to identify and refine potential interventions that could respond effectively to the identified problems. The workshop defined and evaluated a full range of Strategic Options against three sets of criteria – the benefits delivered, costs/dis-benefits and risks. The workshop also considered timing for the realisation of expected benefits.

3.2 Strategic options analysis

Strategic interventions

A number of strategic interventions were canvassed, and are summarised below.

Table 5 Summary of potential strategic interventions

Strategic interventions
<p>Intervention 1 – Provide vulnerable communities with viable and appealing opportunities This refers to interventions which would provide economic, employment, training or other opportunities to the most vulnerable groups and communities in Mildura.</p>
<p>Intervention 2 – Deepen and broaden the offering from the tourism and recreation sector Invest strategically to increase the attractiveness of Mildura as a tourism destination and centre for motor sports recreation.</p>
<p>Intervention 3 – Enable greater community involvement in supporting and delivering high quality events Undertake an intervention that increases opportunities for community participation in major events.</p>
<p>Intervention 4 – Improve awareness of Mildura as a major centre of tourism and recreation events Undertake activities across Victoria or interstate to raise awareness of Mildura's tourism and recreation assets, and major events.</p>

Strategic options

Three strategic options were identified. These were:

- Option 1: A structural focus – this would be an investment in regional industry capability and resources, to enhance Mildura's tourism, recreation and event base.
- Option 2: A program focus delivering employment opportunities in Mildura – this would encompass a social program targeting Mildura's most vulnerable and disadvantaged groups.
- Option 3: Statewide program – this option would focus on a statewide program of raising the profile (and demand for) Mildura's existing tourism and recreational assets and events.

An assessment of each option is outlined below.

Table 6 Strategic options

Strategic intervention	Option 1	Option 2	Option 3
	Structural focus	Program focus	Statewide focus
Provide vulnerable communities with viable and appealing opportunities	10%	50%	
Deepen and broaden the offering from the tourism and recreation sector	50%	20%	20%
Enable greater community involvement in supporting and delivering high quality events	20%	30%	30%
Improve awareness of Mildura as a major centre of tourism and recreation events	20%		50%

The following table outlines the logic for each strategic option.

Table 7 Rationale for Strategic Option

Opt	Strategic Option	Explanation
1	Investment in a motor sport tourism and recreational asset	This would be an investment in an asset to enhance Mildura's tourism, recreation and event base. An investment of this nature should be focused on an area where there is already a broad base of community support, and which has an established major events calendar. For this reason, this option is predicated on the <u>development of a motor sport asset.</u>
2	Deliver employment opportunities for those disadvantaged in Mildura	This would encompass a social program targeting Mildura's most vulnerable and disadvantaged groups. It could include training, support to re-engage with the community, additional support for health issues, or other programmatic responses. This option would be delivered directly to disadvantaged groups in Mildura. It would potentially look to provide work experience and/or training to those outside the workforce, in order to provide ongoing, <u>sustainable employment outcomes.</u>
3	Deliver a statewide marketing campaign to promote Mildura for tourism and lifestyle purposes	This option would focus on a statewide program of raising the profile (and demand for) Mildura's existing tourism and recreational assets and events. It would focus on encouraging <u>people to visit or move to Mildura.</u>

Doing nothing is not a viable option, as it will reverse the positive outcomes and momentum from recent tourism investment in Mildura. Additionally, the problems identified are unlikely to improve of their own accord, without Government intervention.

With the above in mind, the strategic options were ranked and assessed. This is outlined in the following table.

Table 8 Evaluation of strategic options

			Option 1	Option 2	Option 3
Benefits					
Percentage of full benefit to be delivered*			69%	54%	46%
Benefit 1	Improved health and wellbeing throughout the Mildura community	35%	2	3	2
Benefit 2	Mildura attracts and retains a diverse and active population	50%	4	3	3
Benefit 3	A more resilient, growing tourism industry	15%	5	1	3
Cost					
Investment cost (range)			\$20-70m	\$10-15m	\$10-20m
Operational costs if significant (range)			Included	Included	Included
Time					
Range			2-5 years	2-10 years	2-10 years
Risks (Likelihood/Consequence)					
Vulnerable communities not interested			Medium/Low	High/Low	Medium/High
Failure to address the structural challenges facing clubs			Low/High	High/Medium	Medium/Medium
Failure to generate a critical mass of interested community participants			Low/High	Medium/Low	Medium/High
Failure to get cut through on marketing messages			Low/High	Medium/High	High/Medium
Dis-benefits (Likelihood/Consequence)					
Environmental damage			High/Low	na	na
Discontented residents who feel they receive no benefit			High/Low	High/Low	High/Low
Ranking					
Ranking from 1-3			1	2	3

* Benefits ranking: 0=None, 1=Low, 5=High

3.3 Recommendation strategic option

Strategic Option 1 – Investment in a motor sport tourism and recreational asset – is the recommended option.

This option has a relatively high capital investment (\$22-82 million) with a focus on the development of a multi-disciplinary motor sport site, or precinct in Mildura. This would provide an opportunity for local clubs and facility managers to pool resources and have access to a modern, compliant, spectator-friendly facility for events, club days, training and other uses.

Realisation of benefits

The key reasons why Strategic Option 1 was identified as the preferred option include the following:

- The development of an integrated motor sport facility would have a much more significant positive impact on the growth and resilience of the tourism sector in Mildura, compared to other options proposed. The asset would provide a visitor destination for Mildura, and a venue to host an increased number and diversity of motor sport and other events for the community
- A motor sport asset would support the attraction and retention of population in Mildura through the economic and employment opportunities resulting from the development, as well as the enhanced opportunities for events, participation in motor sport disciplines, and opportunities for training and learning resulting from the site's development
- While likely to provide less impact on improved health and wellbeing than Strategic Option 2, Strategic Option 1 will still afford opportunities for community involvement in events, volunteering, and socialising, all of which will contribute towards the development of enhanced social capital in Mildura.

Assessing risks and dis-benefits

Risks

Table 9 Assessment of risks: Strategic Option 1

Risks	Assessment
Vulnerable communities not interested (M/L)	There is a reasonable likelihood that vulnerable groups may not be inclined to engage with the motor sport development. While this is unlikely to threaten the financial or economic viability of the project, this risk could mean that the <u>full community benefits are not realised.</u>
Failure to address the structural challenges facing clubs (L/H)	A number of existing facilities currently managed by motor sport clubs are in sub-optimal condition and will require significant investment soon. Additionally, the cost of asset upgrade and maintenance is threatening the viability of some motor sport clubs. The new asset would be likely to address the facilities issue as well as financial sustainability challenges faced by clubs. In the event that the project did not address these issues, there could be significant negative consequences for <u>the ongoing sustainability of some Mildura-based motor sport clubs.</u>
Failure to generate a critical mass of interested community participants (L/H)	There is a possibility that a new motor sport precinct would not generate sufficient community interest to be viable, or to meet its broader community and social engagement objectives. Given the high level of interest in motor sports in the Mildura community, however, this likelihood is expected to be <u>low.</u>
Failure to get cut through on marketing messages (L/H)	The success of the preferred option will necessitate some marketing to generate local, intrastate and interstate interest and demand. There is a risk that <u>this marketing may not be successful in generating this level of interest.</u>

Whilst these are important risks, none of them presents a reason substantial enough not to progress with the option. Mitigation measures can be developed to respond to all of these risks which will either reduce the likelihood of occurrence, or the potential impact.

Dis-benefits

Table 10 Assessment of dis-benefits: Strategic Option 1

Risks	Assessment
Environmental damage (H/L)	<p>The development of a motor sport precinct may have a short term impact on the environment, as part of the construction phase.</p> <p>While there will be a longer term impact associated with more events and participation (and more emissions), this will be partly offset by the development of more environmentally sustainable facilities (e.g. low energy use buildings) will improve the environmental impact of the facility.</p> <p>There are some environmental sensitivities at the site, related to native vegetation. The masterplan for the site, however, has been developed to largely avoid areas of environmental sensitivity.</p>
Discontented residents who feel they receive no benefit (H/L)	<p>There is the potential for some residents not to be supportive of the project, on the basis that they receive no benefit. This is, however, unlikely to have a significant impact on the viability or feasibility of the project.</p>

Conclusion

Strategic Project Option 1 is the preferred option on the basis that:

- It offers the most significant benefits, particularly in terms of a growing tourism sector and in the retention and attraction of people to Mildura
- The risks and dis-benefits have either a low likelihood of occurring, or have a minimal impact on the feasibility of the project in the event that they are realised. Both the risks and dis-benefits can also be mitigated as part of the project development and design process.

4.0 Project options

4.1 Overview of project options

Five project options were developed for consideration as part of the Full Business Case. These options reflect an assessment of the needs of the Mildura community as well as those of motor sport clubs and other stakeholders. Each of the project options have been assessed against the base case, that being the 'do nothing' option.

The project options listed are described in terms of the facilities included in each. All of the options are assumed to be located at the same site, that being Block H, a 552 hectare site some 20 minutes from Mildura. Currently, there are several clubs and facilities located at the site:

- Sunraysia Drag Racing Association – which manages a bitumen 1/8 mile drag strip and associated facilities
- Sunraysia Motor Sports Club – have previously operated a 15 kilometres dirt track for off-road racing circuit
- Dirtworx Moto Park – which includes a number of junior and senior dirt motocross tracks.

From its inception, one of the aims of this project has been to put local motor sport clubs on a more sustainable footing through the provision of up-to-date, quality facilities as well as a more collaborative business and marketing model. The most basic options (Project Options 1 and 2) do not fully cater for this co-location, although other project options provide more capacity for the realisation of this business model.

Additionally, all of the project options seek not to compete with, but complement existing or planned facilities within the broader region. In particular, this includes the motor sport facilities located at Swan Hill, as well as the South Australia Motor sport Park development at Tailem Bend.

The five project options are described briefly below. Project Options 1-4 represent different facility configurations. Project Option 5 is a staged option, in which facilities are upgraded and expanded in four stages, each of which correspond to Project Options 1-4.

The project options are as follows:

Project Option 1: Minimal option, comprising a basic set of infrastructure centered on a bitumen racetrack and a skid pan. The option comprises:

- Bitumen racing circuit – up to 3.5 km in length
- Pits area (800m²), hard stand (350m²) and control tower
- Skid pan
- Basic office and facilities, for administrators and clubs
- Maintenance/wash down shed
- A camping site for spectators and participants.

This would largely cater for circuit based events such as club races. Currently, there is no equivalent racetrack in Mildura.

Project Option 2: This option would still provide basic facilities, but with additional scope for training and event flexibility such as lights.

This comprises:

- The elements of Option 1
- Fuel facility (secure)
- Lighting.

Project Option 3: This is a comprehensive facility which will cater for a range of (land based) motor sport events, plus have facilities for associated industries.

This comprises:

- The elements of Option 2
- Space for temporary Seating, as well as a function area
- Garages and workshops.

Project Option 3 provides for additional industries and uses (and consequently, additional revenue opportunities), compared to the earlier options.

Project Option 4: This option represents a fully comprehensive facility which will cater for the suite of land and water based motor sports. Additionally, it will allow for the consolidation of most motor sport facilities in Mildura to a single site.

This comprises:

- The elements of Option 3
- Additional commercial areas, such as conference rooms and product launch space
- Additional circuits/racing facilities – Go-karts, dirt karts, speedways
- Jet boat water course.

This option seeks to maximise opportunities from the full suite of motor sport and non-motor sport activities. This option may be considered as both a motor sport precinct and general events facility.

Project Option 5: This option would deliver the same facilities as Project Option 4, but over a staged timeframe. The analysis for this option has assumed that:

- Option 1 facilities will be delivered in year 1
- The additional facilities contained in Option 2 would be delivered in Year 6
- The additional facilities in Option 3 would be delivered in Year 11
- The additional facilities in Option 4 would be delivered in Year 16

4.2 Project options in detail

The features of the five project options are listed in detail in the following table.

Table 11 Project options – Mildura motor sport precinct

Feature	Size/Details	Option 1	Option 2	Option 3	Option 4	Option 5
Office & basic facilities (toilets, storage, catering)	Ground floor minimum 300m ² to cater for up to 200 people	✓	✓	✓	✓	✓
Maintenance shed / Washdown area	350m ²	✓	✓	✓	✓	✓
Function suite	A minimum of 300m ² . There is scope for a 600-1,000 (standing) person function venue in Mildura, as there are limited venues for business and other events.			✓	✓	✓

Feature	Size/Details	Option 1	Option 2	Option 3	Option 4	Option 5
Motor sport parking	300 car capacity hard standing bitumen (to be used for HGV and car handling when not in use with overflow gravel / irregular surface)	✓	✓	✓	✓	✓
Enhanced drag racing pit provision and marshalling area	Formalise existing area and provide washdown and petrol interceptor points to avoid ground contamination	✓	✓	✓	✓	✓
Bitumen racing circuit	3 km track length	✓	✓	✓	✓	✓
Camping area with ancillary facilities	800m ²	✓	✓	✓	✓	✓
Pits area	800m ²	✓	✓	✓	✓	✓
Control tower	20m ²	✓	✓	✓	✓	✓
Lighting	Lighting along the racetrack to enable night time events		✓	✓	✓	✓
Skid pan track	100m x 45m	✓	✓	✓	✓	✓
Secure storage / fuel facility	200m ²		✓	✓	✓	✓
Space for temporary stands	Banked areas along straights and approaching fenced corners			✓	✓	✓
Garages (storage of motor vehicles etc – letting)	40 spaces			✓	✓	✓
Workshops (commercial lets for service industry)	10			✓	✓	✓
Product launch area	Upgrade and extended parking area				✓	✓
Extended administration / conference rooms	700m ²				✓	✓
Jet boat water course	800m-1km				✓	✓
Karting track	1km				✓	✓
Dirt kart circuit	660m				✓	✓
Speedway track (car)	600m				✓	✓
Speedway track (bike)	400m				✓	✓

Each feature, and its relevance, is described in more detail in Appendix E.

Referencing to terracing refers to basic limestone blocks, with grass infill behind which provides plateaus for spectator standing or bringing their own seating.

Toilet and canteen facilities for each project option would be basic ablutions and small kiosks and sitting area with shade. This will be dependent on how the site is configured as there should be opportunity to share infrastructure between different racing facilities.

Project Options 3, 4 and 5 include a conference/events facility. This would drive additional economic activity and support enhanced financial sustainability for the precinct. Currently, the largest conference facility in Mildura has capacity for 400 delegates. MRCC had advised that there is demand for up to 1,000 delegate facilities, and that there is unmet demand for business and other events in the range 600-1,000 people.

In addition to the above, all of the options will have an environmental offset area. This will allow for part of the Block H site to be protected from development for environmental and cultural reasons. In particular:

- Part of the site is understood to be culturally sensitive
- Removal of native vegetation from the site will be subject to planning approval, consistent with the Victorian Native Management Framework, and may require some of the site to be set aside.

4.3 Capital costs for each project option

The estimated capital costs for each project option are outlined below.

Unsurprisingly, the lowest cost option is Option 1, as this represents the basic facility comprising race track, skid pan and associated facilities. By contrast, the most expensive option is Option 5, driven by the comprehensive on-track and off-track facilities contained in this option as well as the staging (which adds to the project cost).

Table 12 Capital cost estimates - project options

Component	Option 1	Option 2	Option 3	Option 4	Option 5
Siteworks	\$2,068,120	\$2,072,520	\$2,515,604	\$5,344,540	\$11,202,954
Building	\$2,965,900	\$3,138,500	\$6,922,500	\$15,272,454	\$12,070,907
External works	\$7,009,560	\$7,119,160	\$7,390,200	\$9,416,400	\$10,018,156
Services	\$3,296,940	\$9,557,340	\$10,514,940	\$20,807,880	\$23,219,004
Other costs	\$6,443,018	\$9,192,758	\$11,484,162	\$21,353,335	\$23,661,930
Total	\$21,783,538	\$31,080,278	\$38,827,406	\$72,194,609	\$80,172,952

Full details of the cost estimates are contained in Appendix F.

The cost estimates exclude the following items:

- GST
- Planning Contributions
- Capital Contributions for Services Connection
- Public Art.

Water infrastructure at Block H

The water authority within the Mildura region, Lower Murray Water (LMW) has provided indicative feedback and options on water supply to Block H for the proposed motor sport precinct based on the staged development plan. LMW has advised that urban water supply is available to the site, noting that the supply for urban water is at the extent of the system at Koorlong. LMW has suggested that a range of water supply options would be considered at the site to ensure continuity of supply at a required pressure

Fire services at the precinct will need to be taken into consideration in further detailed planning if the project is to go ahead. With an urban water supply available, fire services will need to be considered on this basis for each component of the motor sport precinct.

There is currently rural water connected (via small diameter pipeline) to the site of Sunraysia Drag Racing Association at Block H. A pipeline to the proposed race track facility and precinct could be constructed. Purchase of water rights would be required. LMW has advised that the project site is at the end of the rural system and suggests that the use of water storage at the project site needs to be factored in to consideration to ensure a continuity of supply at a required pressure. LMW suggests the use of tanks or a dam to store rural water at the site.

Should a jetboat water course be constructed at the site, this would probably require the use of a dam for storage of water. This issue will need to be resolved post the Business case when a preferred project option has been agreed upon. Please note that the scope of this business case does not include planning or design for storage of water. Further detailed planning and design would be required.

LMW has also advised the following:

- Access to drainage water. There is possible access to pipelines at the north end of Block H, which contains drainage water from local properties. Costs would be minimal to access. If a dam for water storage was established at Block H and a pipeline implemented, this water could be mixed with the rural water supply at a dam on site
- Reclaimed Water from the Koorlong Treatment Plant is currently unavailable. LMW suggests if this was to change, that the distance from the Koorlong treatment Plant to the motor sport precinct site may be cost prohibitive.

Potential costs for water infrastructure are estimated include:

- For urban water, \$450 for tapping into the mains water at Benetook Avenue, \$70,000 for the installation of a new water pipe, and \$3,700 for a New Customer Contribution Fee
- For rural water, \$64,000 for the installation of a water pipe, and \$2,300 for a tapping fee and water meter
- For drainage, installation of a drainage pipe estimated at \$20,000.

Sewerage infrastructure

LMW has indicated there is no sewer connection available to the site. Accordingly, sewerage would require systems on site. Mildura Rural City Council's Environmental Health *Department has advised that wastewater systems would need to be installed, in accordance with the Environment Protection Act Code of Practice – on-site wastewater management publication 891.4.* Given the area location and characteristics of the subject land, it is capable of accommodating such a proposal."

Electricity infrastructure

A 100kVA low voltage power supply currently exists at the Sunraysia Drag Racing Facility. A three wire, 22kV high voltage overhead powerline currently traverses Block H with the line continuing down the West side of the block where other motor sports are proposed as part of the staged development plan in the future.

Power distribution costs for the site would be based primarily on distance from the existing line, electricity load and electricity consumption. Final costings can only be determined once power infrastructure design is completed by a suitable consultant / engineer.

Indicative costs for distribution augmentation works are estimated to be between \$100,000 and \$250,000 (distributors cost only). As there has been no power specification details provided, this amount cannot yet be refined. This cost has not, therefore, been included in the total.

4.4 Preferred site

The preferred site for the motor sport precinct is Block H, Koorlong. This is a 557 hectare site bounded by Twenty Third and Twenty Fourth Streets, and San Mateo and Ash Avenues. The land is owned by Mildura Rural City Council apart from a grid of unmade road reserves that are Crown land. Council is completing a process whereby the road reserves are being closed and Council will take on the role of Committee of Management. This is expected to occur by mid-end of 2017. This will allow Council to manage all land within Block H. The next step will see Council look to purchase or be gifted the crown land from state government. This will then allow Council to consolidate all titles within Block H.

In the future, Council will look to change the planning on this land from Public Use Zone (PUZ) to a zoning for motor sport (following all required planning requirements). There is currently motor sport use on the site. A drag racing strip and off road club is located at the north-west end of the site, as well as a private lease for an off-road motorbike facility.

Areas within the site have been previously quarried by Council. Block H is located some 15 kilometres to the South of Mildura township.

5.0 Project options analysis

5.1 Framework for options analysis

This section outlines the evaluation framework for assessing each of the project options against the base case ('do nothing') option.

The framework captures impacts that are monetised and captured in the cost-benefit analysis (CBA), which provide estimates of the project benefit-cost ratio (BCR) and economic net present value (NPV), as well as those that are described in a qualitative/non-monetised sense. This approach ensures all key impacts are accounted for in the options assessment.

A second broad approach has been to use a form of Multi-Criteria Analysis (MCA) which enables us to consider a mix of monetised and non-monetised criteria.

The high level evaluation framework is outlined below.

Table 13 Approach to evaluation

Impacts/evaluation criteria	Quantified (CBA)	Qualitative evaluation (MCA)
Social impacts – inclusiveness and participation by diverse communities	No	Yes
Externalities – emissions, noise	No	Yes
Native vegetation	No	Yes
Industry impacts	No	Yes
Economic impacts	Yes	No
Financial sustainability	Yes	No
Development of motor sport sector	No	Yes
Cultural heritage	No	Yes
Project costs	Yes	No

The CBA focuses on the additional economic impact for the Victorian economy resulting from the investment.

5.2 Stakeholder identification and consultation

A large number of stakeholders have been consulted about this proposed project, both as part of this Full Business Case and during previous stages of the project development. Consultation has been undertaken with motor sport clubs, motor sport peak bodies, other local governments, the State Government, businesses, tourism bodies, motor sport facility owners, the local community and motor sport competitors (past and present).

An industry reference group consisting of 36 representatives from different organisations and groups has lead the development of this business case. This group has been made up of representatives of local motor sport clubs, motor sport peak bodies, education providers, businesses, government agencies, tourism bodies, and local motor sport 'heroes'. Feedback provided by the industry reference group and other stakeholders has been taken into consideration in developing and assessing the project options, as well as the facility design and configuration. A full list of those consulted as part of the Full Business Case is contained in Appendix D. Letters of support from stakeholders are contained in Appendix I.

Table 14 Stakeholder perspectives, issues and interests

Stakeholder	Perspectives on the proposed motor sport precinct development
<i>Government</i>	
Mildura Rural City Council	- Council is very supportive of this proposal, and sees it as one of its highest priority infrastructure project. Block H is the preferred site, although Council recognises that there are some biodiversity and cultural heritage sensitive's, which have been avoided within the staged Development Plan for the site. This site was identified as part of the earlier feasibility study, <i>A Motor Sports Industry Development Strategy for North West Victoria</i> (2011)
Victorian Government (Department of Environment, Land, Water & Planning (DELWP))	- DELWP has advised that native vegetation issues can be resolved as part of the planning process - To address these concerns, Mildura Rural City Council has undertaken a detailed biodiversity assessment by ground truthing the proposed motor sport precinct area within Block H. This assessment detailed areas of significant vegetation that should be avoided where possible and identified areas of reduced vegetation that may be appropriate for motor sport facilities. The staged development plan has taken these areas into consideration in
Visit Victoria	- Visit Victoria seeks to encourage investment in new attractions and associated facilities in regional Victoria. Visit Victoria has advised that it supports the project.
<i>Advocacy group</i>	
Mildura Motor sport Industry Reference Group	- A reference group was established to provide information and support in the development of the Business Case. The reference group has 36 members including national and state motor sport organisations, all local motor sport clubs as well as local motor sport heroes from different disciplines. The group also included local organisations and education providers and regional tourism. The group is strongly supportive of the project and drove the development of the Business Case and staged Development Plan.
Business advocacy group	- A group of local business people have shown interest in advocating for the development of the motor sport precinct. They see the great opportunity a facility like this can bring to the Mildura community especially the economic benefits that visitors to the precinct will provide. This group included local restaurants, hoteliers, motorsports enthusiasts and participants and property developers. They are very supportive of the project. There are currently between 30-50 active members of the group.
<i>Motor sport clubs</i>	
Mildura Speedway Drivers Club (Timmis Speedway)	- The club is supportive of a new motor sport precinct. The club would not look to move immediately to the site but would look to move at the end of their current lease in 12 years' time. There are restrictions at Timmis Speedway including lack of security about future lease arrangements, limitation on power and limitations placed on floodlighting due to proximity of airport
Mildura Kart Club	- The Mildura Kart Club is supportive of a new motor sport precinct and will not relocate to the site immediately. Its current lease ends in 21 years, and will look to move at that time if their lease cannot be renewed - Its current track is located next to the Mildura Airport, and while there are restrictions on the ability to expand the track, it is not needed at present. A move to the motor sport precinct in the future will allow an extension of track length offering the opportunity to hold state or national events - While the North Western Victorian Motor Sports Feasibility Study recommended that the club remain on its current site for the time being, the airport has signalled that it will be requiring the land at some time in the future. - A letter of support has been provided within the Business Case

Stakeholder	Perspectives on the proposed motor sport precinct development
Mildura Motorcycle Club (Olympic Park Speedway)	<ul style="list-style-type: none"> - The Mildura Motorcycle Club is very supportive of the development of a motor sport precinct. The club can see an opportunity to develop another arm to the club with the addition of motorcycle road racing at the bitumen race track, once a track is completed. This type of road racing is already popular with many of their members who currently travel to involve themselves in road racing. The club would like to be a part of the bitumen race track facility. - The Club is well established at its current site at Olympic park, adjacent to the Murray River. The club has been located at the site for 69 years, and currently has a lease through to 2050. The club is not looking to leave the current site before the end of its lease on the basis that: <ul style="list-style-type: none"> • The Club's speedway track is up to 'world' standard' and hosted the world U21's in October 2015. The track and facilities are likely to meet the needs of the Club for the foreseeable future • The club has recently invested between \$650,000-\$1 million in track and associated infrastructure to improve their quality and ensure compliance with Motorcycle Australia regulations - The North Western Victorian Motor Sports Feasibility Study highlighted that there are significant planning, environmental and heritage issues with the site, and that compliance with Motorcycle Australia requirements 'can only be fully resolved by the club moving to another site'³⁵ - That said, the club is extremely supportive of a motor sport complex being developed at Block H, on the basis that it would strengthen the sector in Mildura and provide additional opportunities for local competitors, spectators and officials. The club would look to be involved immediately with the bitumen race track and look to move its own facility in the longer term - The club reviewed the masterplan and provided comments - A letter of support has been provided within the Business Case.
North West Victoria Motorcycle Club (Jambaroo Park)	<ul style="list-style-type: none"> - The North West Victoria Motorcycle Club feels the motor sport precinct will be an asset to the area and the community as a whole. The club currently has a well-developed facility at Jambaroo Park, along 23rd Street Koorlong - The club is keen to remain at Jambaroo Park given substantial investments in infrastructure and facilities. - The club suggests there will be members who will get involved in road racing at the bitumen race track when it is completed and this may offer up an opportunity for the club to be involved in some way - A letter of support has been provided within the Business Case.
Sunraysia Drag Racing Club	<ul style="list-style-type: none"> - The Sunraysia Drag Racing Club is already established at the Block H site - The club is supportive of the redevelopment, and is keen to identify the potential for sharing ancillary/support facilities - The club reviewed the draft masterplan and provided comments - A letter of support has been provided within the Business Case.
Dirtworx Moto Park	<ul style="list-style-type: none"> - There is a club associated with the Dirtworx site at Block H - It is a venue that caters for a range of disciplines – motorcycle, sidecar, quad bike and karting - Dirtworx only hosts training days and does not host events at this stage - Dirtworx would be supportive of a redevelopment that could assist it in improving facilities for club members and other users. Dirtworx is currently awaiting a new lease on its current site - Dirtworx reviewed the draft masterplan and provided comments.

³⁵ North Western Victorian Motor Sports Feasibility Study: Final Report, 2015

Stakeholder	Perspectives on the proposed motor sport precinct development
Mildura Melton V8 Jetboats	<ul style="list-style-type: none"> - This stakeholder is very supportive of a motor sport precinct, particularly the opportunity for the jetboat course to be situated at the site - If the precinct was to go ahead they would like to establish a jetboat course in the short term (1-5 years) - The club would welcome water on site (e.g. a dam) for the proposed jet boat water course, as well as potential facilities to capture run-off from the raceway circuit - The club reviewed the draft masterplan and provided comments - A letter of support has been provided within the Business Case.
Sunraysia Motor Sports Club	<ul style="list-style-type: none"> - Sunraysia motor sports Club supports the business case for the motor sport precinct - The club leases land at Block H and has developed a range of dirt tracks at the site, on which it runs occasional events. The club requires a dirt track of between 15-45 kilometres in length for its events and runs the Sunraysia 500 on private property away from this site - The club reviewed the draft masterplan and provided comments - A letter of support has been provided within the Business Case.
<i>Motor sport peak bodies</i>	
Confederation of Australian Motor sport (CAMS)	<ul style="list-style-type: none"> - CAMS is heavily supportive of the development of a motor sport precinct at Mildura. CAMS has provided extensive in-kind support to the development of the motor sport business case. - CAMS has extensively reviewed the draft masterplan, and worked with AECOM and MRCC to refine it. CAMS (along with Motorcycling Australia) has assisted with the track design for the bitumen racing circuit and other facilities. - A key focus for the motor sport precinct should be on facilitating the growth of clubs and club infrastructure, and not attempting to replicate facilities such as Tailem Bend - Facilities at Swan Hill, Tailem Bend and Mildura can co-exist as they each serve a different demographic - The proposed Mildura precinct must have a bitumen surface track, as this is critical to underpin the viability of the business plan - CAMS will provide technical input relating to the design of the track - One of the focus areas for CAMS is to address the lack of quality infrastructure in regional areas. The distance from Melbourne has resulted in Mildura missing out on necessary investment which could assist in harnessing a number of club participants and spectators - A letter of support has been provided within the Business Case.
Motorcycling Australia	<ul style="list-style-type: none"> - Motorcycling Australia is very supportive of the proposed Mildura Motor sport Precinct and in particular the bitumen race track to be used for cars and motorcycles. - Motorcycle Australia is supportive of new facilities being developed, particularly in regional areas. The track design will need to be compliant with Motorcycling Australia regulations. Motorcycling Australia is looking to develop more race tracks for riders to use. - There is an opportunity for state and possibly national events to be held at Mildura in the future if the facilities meet the appropriate regulations - Motorcycling Australia has provided in-kind support to assist in the design of the bitumen race track and associated facilities - A letter of support has been provided within the Business Case.
Australian National Drag Racing Association (ANDRA)	<ul style="list-style-type: none"> - ANDRA strongly supports a motor sport precinct development at Mildura - The Association considers that facilities at Mildura, Swan Hill and Tailem Bend can be complementary. The presence of three similar facilities attracting participation across Victoria, NSW and South Australia is not a concern to their individual financial viability. The main issue will be to ensure that each facility cooperates with the programming of major events - The capability within Mildura is high with a very strong volunteer base and club structure.

Stakeholder	Perspectives on the proposed motor sport precinct development
Australian Independent Dirt Kart Association	<ul style="list-style-type: none"> - The Association is currently looking for an independent site specifically built for dirt cars - There is significant interest in the Mildura region in dirt kart racing - Should the project go ahead, the Association would be interested in investigating further any opportunity for a facility which can be used for a state title.
Australian Formula Jet Sprint Association (AFJSA)	<ul style="list-style-type: none"> - AFJSA would strongly support the establishment of a jet sprinting circuit within Mildura - The Association has identified regional towns and cities as its principal growth areas. - The use of the facility for major events in early to late evening could work well with other motor sport activity - Shared infrastructure with other motor sport disciplines would aid and assist the commercial viability of any infrastructure created - A letter of support has been provided within the business case.
<i>Education providers</i>	
Austlink	<ul style="list-style-type: none"> - Austlink is very supportive of the motor sport precinct. Depending on government support, Austlink would consider moving to the motor sport site in the short term or the long term at the completion of their current lease (approx. 20 years) - Austlink would look to replicate their current set up at Block H, with a number of the facilities able to be moved to the new site. - The current infrastructure for Austlink has been established over a number of years, and a valuation in 2010 estimated the value of assets at around \$2.5 million. Most of Austlink's buildings are demountable, and could be shifted to the Block H site. It is expected that Austlink would identify funding for the relocation to Block H, and consequently these costs have not been included in this business case - Austlink can see the opportunities that may be available to them by being located at the motor sport precinct, offering more education and training opportunities for their clients - Austlink has a well-developed site adjacent to the airport, which caters for most of its current driver training courses - Other driver training opportunities that could be located at Block H include: <ul style="list-style-type: none"> • A highway circuit for testing vehicle durability and general development • Off road driver training and vehicle capability (gravel / sand road) • Ceramic tile surface / skid pan area • Chassis twist site to test durability of vehicles and capability of driver control • Water responsiveness site - A letter of support has been provided within the Business Case.
Sunraysia TAFE (Sunitafe)	<ul style="list-style-type: none"> - SuniTafe is highly supportive of the project because of its potential alignment with employment outcomes – automotive training and other job outcomes - SuniTafe estimates that around 5% of students in motor sport related courses are indigenous - SuniTafe would use infrastructure at the site to train and develop students (Goulburn Ovens TAFE are based at Winton Raceway) and lease a pit area.
Northern Mallee Local Learning and Employment Network (NMLLEN)	<ul style="list-style-type: none"> - NMLLEN is very supportive of the proposal, and considers that there could be benefits for engagement and training of unemployed people, including youth not in study or the workforce.
<i>Other stakeholders</i>	
Private investors	<ul style="list-style-type: none"> - A number of potential private investors have expressed an interest in supporting the project. These are generally drawn from motor sport champions and people with a long history of involvement in the sport. Discussions with potential investors are continuing with Card
Mildura Regional Development	<ul style="list-style-type: none"> - Supportive of the project - Understand the potential for visitors to come to the region for the motorsport

Stakeholder	Perspectives on the proposed motor sport precinct development precinct.
Murray Regional Tourism Board (MRTB)	<ul style="list-style-type: none"> - Murray Regional Tourism Board is strongly supportive of the project, as evidenced by its events strategy (2015). MRTB has identified that the events based tourism is a key driver of improved visitation outcomes, and is supportive of investments that provide the region with additional events capacity.
Mildura community	<ul style="list-style-type: none"> - Through community engagement conducted in mid-2016, support for the motor sport precinct business case has been very strong with two community sessions held with over 50 people at each session. Additional engagement with Mildura community has been well supported with individuals keen for the motor sport precinct to go ahead. A total of 770 community members have been engaged through this part of the consultation process - A second comprehensive community engagement process was undertaken between 9-27 November 2016, including community presentations at Koorlong and Mildura, as well as drop in sessions. A total of 168 people attended the engagement sessions during this period. Community members were very positive, with comments received including concerns about how native vegetation issues would be managed. More details on this process are contained in Appendix L - There is a high participation rate in motor sports in the Mildura community, being 3 times that of the state average and 4 times that of the national average.
Victoria Police	<ul style="list-style-type: none"> - Victoria Police recognises that there are a range of social issues amongst youth and other disadvantaged groups in Mildura. Victoria Police is supportive of initiatives that engage young people and others, and provide them with a community and social engagement.
Mildura District Aboriginal Service (MDAS)	<ul style="list-style-type: none"> - MDAS is supportive of the project.
Jarod Waters, racing car driver	<ul style="list-style-type: none"> - Jarod was consulted on the masterplan and track layout, and provided comment.
Local motor sport heroes: Leigh Adams, John Hederics, Darren Morgan and Josh Waters	<ul style="list-style-type: none"> - All the local motor sport heroes (national and international motor sport champions) are extremely supportive of a proposed motor sport precinct. They can see the opportunity for the area and agree that competitors, car clubs, spectators enjoy coming to the area and many will stay for extra time. They suggest Mildura is highly regarded by motor sport competitors, not only for motor sports but the tourism offerings
Matthews and Associates	<ul style="list-style-type: none"> - Matthews and Associates provides driver education services in Mildura - The company advises that it could use the skid pan for 2-3 days per week to deliver training services such as defensive driver training and driver handling courses - Matthews and Associates has provided a Letter of Support which is attached to the Business Case.

In addition to the above, a community facebook page (Motor sport Mildura) established to support the project currently has 2,078 'likes' (as at November 2016).

5.3 Social impacts

The five project options have a range of potential social impacts. In particular, social impacts can be expected for the following groups:

- Motor sport club members and participants
- Disadvantaged groups
- The broader community.

These are explored below and assessed against each project option.

Motor sports are a key recreational activity for the community. Mildura is home to nine motor sport clubs, all of which depend on membership fees and volunteer efforts for their sustainability. In particular:

- The governance, coordination and management functions for each club are undertaken by club members on a strictly volunteer basis
- Club members organise and run events and training, which provide opportunities for community participation. While clubs use events as an opportunity to raise some limited revenues, most funds are used for insurances and the operating costs of running each of the events
- In addition to promoting volunteerism and providing opportunities for community participation, clubs also provide an important focus for young people (particularly men), giving them a greater sense of purpose and community.

The development of a motor sport precinct (and the potential relocation of some clubs to the precinct) is expected to enhance their long term sustainability. The precinct will provide a high quality venue that, through the pooling of resources and more professional management, the local motor sport clubs will be able to use both for training and events.

Overall, the social value of motor sports to the resident population is high, particularly in providing opportunities to develop off-road driver and rider handling skills.

As noted in Section 1 of this Full Business Case, Mildura is characterised by a high levels of social and economic disadvantage. In particular, social disadvantage is manifested by poor health and education outcomes, family breakdown, and higher levels of crime.

In the case of the project options, approaches to addressing social disadvantage can include:

- Providing opportunities to strengthen social capital
- Providing opportunities for disadvantaged groups to take part in educational and recreational activities through the motor sport clubs or other community activities.

Social capital is a concept that generally describes the strength and density of social networks within and between communities. While social capital can be difficult to quantify, generally speaking, actions that strengthen or increase social networks are seen as positive ('building social capital').

The Australian Bureau of Statistics (ABS) defines social capital as the "networks, together with shared norms, values and understandings which facilitate cooperation within or among groups".³⁶ The ABS notes that social capital is a useful indicator of community strength and cohesion. While not a perfect correlate, high levels of social capital tend to reflect higher levels of social advantage. This recognises that indicators such as physical and mental health and community safety can be strongly influenced by community, family, professional and other social networks.

All of the project options will contribute towards stronger social capital in the Mildura region. They will do this through:

- Encouraging volunteerism. The level of volunteer activity is a strong indicator of social capital, with communities having a higher propensity to volunteer generally having stronger social bonds. Volunteering rates are typically higher in regional Victoria compared to Melbourne, the 2011 Census found that while 17.2% of people in Melbourne reported that they participated informal volunteering, compared to 25.5% outside Melbourne.³⁷ Mildura, however, had volunteering rates closer to those in Melbourne, at 18.0%.³⁸ the motor sport precinct would provide additional opportunities for Mildura residents to engage in volunteer work, through clubs, through events, and through the care and maintenance of the site
- Encouraging community participation at events. The motor sport precinct will provide a venue for motor sport as well as other activities in which the community can participate and mingle together
- Through the provision of spaces for vehicle training, the precinct will provide opportunities for young people and the disadvantaged to undertake safety and vocational training that they would otherwise not have had an opportunity to do.

A further social benefit from the precinct will be the ability to offer additional vocational and driver training, including through SuniTafe, Matthews & Associates and Austlink. In particular, there is an

³⁶ ABS Information Paper, *Measuring Social Capital: An Australian Framework and Indicators*, 2004 (1378.0)

³⁷ Volunteering Victoria, *Key facts and statistics about volunteering in Victoria 17 February 2015*

³⁸ www.censusdata.abs.gov.au

opportunity to align driver training opportunities on the site of a new bitumen surface with TAFE courses. This would support industry disciplines such as mechanical engineering, event management, driving skills, business management and hospitality. Additionally, SuniTafe has suggested that there are opportunities for training for the local indigenous community in a range of automotive disciplines (technology, administration, sales etc), and this could be leveraged through existing funding opportunities.

An assessment of social benefits for each project option is outlined below. The rating system is as follows:

Very positive social impact	
Moderately positive social impact	
No impact	
Slightly negative social impact	
Very negative social impact	

Table 15 Assessment of social impacts

Project option	Rating	Rationale
Option 1		Option 1 will have a moderate social impact through: <ul style="list-style-type: none"> Increased sustainability of motor sport clubs who choose to relocate to the precinct. Clubs who relocate would continue to operate with fewer financial and asset pressures, and continue to provide social, recreational and volunteer opportunities for the community It will provide some (limited) additional motor sport event opportunities. These will be forums for the community to get together, and for people (particularly younger demographics) to take part in motor sport disciplines.
Option 2		Option 2 will have a similar impact to Option 1.
Option 3		Option 3 will have a similar impact to Options 1 and 2.
Option 4		Option 4 will have a greater social impact than the other options. In addition to the sustainability of motor sport clubs and community social opportunities, it will also provide: <ul style="list-style-type: none"> Events and training opportunities in a wider variety of motor sport disciplines than the other three options (e.g. Jet boats) A site for community events and social opportunities in addition to motor sport events A training site (e.g. 4WD training) which can be provided to a range of groups in the community.
Option 5		Similar to Option 4, but with the benefits spread over a longer time period.

Both Project Options 4 and 5 would provide the greatest positive social impact. Project Option 5 would provide a similar impact over a longer time frame, while the benefits associated with Project Option 4 would be realised sooner. For that reason, Project Option 4 is seen as having the biggest social impact.

5.4 Environmental impacts

There are three potential environment impacts associated with the motor sport precinct. These are:

- Vehicle emissions and noise
- Impacts on native vegetation
- Cultural heritage impacts.

Vehicle emissions and noise

There are expected to be some small additional emission impacts from the project. This will be a result of more events and greater usage than current sites across MRCC.

The masterplan has been designed to minimise noise emissions, particularly for nearby residents. In particular, the masterplan ensures that facilities are at least one kilometre away from nearby housing.

Council's Environmental Health Officers considers that noise, dust and water pollution are not major concerns, and can be overcome by a strong and robust site management plan. This could include water management, petrol interceptors, dust suppression, protected areas, re-seeding and off-site works.

Both emission and noise impacts are negligible for Options 1, 2 and 3, and low for Options 4 and 5.

Native vegetation

Native vegetation in Victoria is protected through the Native Vegetation Management Framework. This requires that developments in native vegetation areas:

- Minimise the removal of native vegetation through appropriate planning and design
- Appropriately offset the loss of native vegetation.

From feedback regarding native vegetation on the site at Block H, Council requested Ogyris Pty. Ltd. to undertake a preliminary biodiversity assessment of the area proposed for the motor sport precinct at the site. This involved an on ground survey to determine:

- Areas which are high conservation areas which should be avoided if possible
- Areas of diminished conservation value which could be considered for development for future tenants of the Motor Racing Precinct
- Areas which are excluded from Vegetation Management considerations (DELWP, 2016) as they can be considered not native vegetation under the NVIM Framework.

Additionally, a Victorian Biodiversity Atlas (VBA) search of Block H was completed.

The information contained in the biodiversity assessment assisted in the design of the full master plan for the motor sport precinct. The master plan outlines areas considered 'high risk' vegetation by DELWP and outlines areas proposed for motor sports which will have a reduced effect on vegetation and offsets, based on the assessment completed in the survey.

As this business case does not include final drawings, vegetation offsets have not been determined for the motor sport precinct, and thus the vegetation offset costs are not reflected in the full business case. However the work completed within the biodiversity assessment will assist a developer when full detailed plans have been completed and a planning permit is being sort. Determination of the vegetation offsets will form part of the planning permit process with Council, which a developer must complete.

Within the biodiversity assessment completed, there were 3 EVC's (Ecological Vegetation Class) encountered (in varying degrees of quality) within the area outlined for the motor sport precinct within Block H:

- EVC 158: Chenopod Mallee
- EVC 98: Semi-arid Chenopod Woodland
- EVC 824: Woorinen Mallee.

The EVC's observed within the survey area were assessed using DELWP's Habitat-Hectares scoring methodology approach. The survey captured each of the EVC's present and the range in incumbent vegetation quality.

- The Mallee tree, Belah is an important component of threatened vegetation located on the site. There are also some rare species of pine. Pine Buloke and Belah are a priority to conserve
- Areas of the site are highly degraded and could be developed with offsets provided for the threatened areas (utilising seed collection and re-planting).
- Council's advice is that, while Block H contains a number of rare species, there may be options at the site to accommodate vegetation offsets outside of the motor sport precinct area.

This analysis suggests that impacts for all options will be low.

Cultural heritage

An Aboriginal Archaeological and Cultural Heritage Due Diligence Assessment was undertaken of the Block H site and its immediate surroundings.

Information pertaining to the known and potential Aboriginal archaeology of the Activity Area was obtained from:

- A review of landscape context, including relevant environmental factors and past land use practices within the Activity Area
- A search of Office of Aboriginal Affairs Victoria's (OAAV) Aboriginal Cultural Heritage Register and Information System (ACHRIS) database
- A review of past archaeological reports for the Activity Area.

Key findings included the following:

- No Registered Aboriginal Parties (RAPs) or RAP applicants are listed in the ACHRIS database. AECOM understands that the local Aboriginal communities are preparing a submission to be listed as a RAP applicant. It is recommended that the OAAV be contacted for recommended groups for consultation
- A search of the ACHRIS database for one kilometre around the Activity Area was conducted. This search returned a total of three sites, one artefact scatter and two hearths. All of the sites are located outside of the Activity Area and so would not be impacted by the proposed development. Additionally, the search found that no archaeological assessments are listed for the activity area with ACHRIS
- The north of the Activity Area has at least two ephemeral Aeolian based lake systems (also called playa lakes). These are areas of high archaeological sensitivity and cultural value to local Aboriginal communities. Division 3 of the *Aboriginal Heritage Regulations 2007* defines areas of cultural heritage sensitivity as being registered heritage sites, areas 50m around registered heritage sites (provided they are not significantly disturbed), and landscape features such as waterways, prior waterways and the 200m surrounding these features (provided they are not significantly disturbed)
- The ACHRIS database indicates that while there are no registered Aboriginal heritage sites in the Activity Area, there are culturally sensitive landscapes within 200 metres of the Activity Area, these being the lunette features in the north of the Activity Area. Lunettes have long been recognised as being 'hotspots' of Aboriginal activity with archaeological and cultural sites including artefacts scatters, hearths, middens, scarred/ring trees, burials and sacred sites.

Refinement of the Activity Area to exclude these sensitive areas would reduce the requirement to conduct a mandatory CHMP, however due to the potential for additional archaeology within the study area, a voluntary Cultural Heritage Management Plan (CHMP) CHMP is recommended.

The masterplan has been developed to avoid the potential cultural heritage areas, and it is not anticipated that further investigation will be needed.

The full cultural heritage due diligence is contained in Appendix J.

5.5 Industry impacts

Industry impacts refer to the impact of the motor sport precinct development on the motor sport sector. This sector is difficult to define, but for the purposes of this analysis, it should be considered as:

- The impact on the sustainability and growth of motor sport clubs and participants in MRCC
- The impact on motor sport disciplines in Victoria
- The impact on businesses that support motor sports in MRCC and more broadly.

In terms of club sustainability, all of the options support greater financial sustainability through:

- A modern, high quality facility which can be accessed by clubs for events and training
- For those clubs that choose to relocate, a home base which is managed on a professional basis.
- Collaboration (marketing of events and event management)

Project Option 4 (which envisages more clubs being based at the precinct) would have a greater impact on sustainability than the other project options.

CAMS has advised that there is a shortage of good quality motor sport precincts in regional Victoria, with existing facilities almost all within two hours' drive of Melbourne. CAMS has noted that the lack of good venues disadvantages regional participants and motor sports clubs, who generally need to travel long distances to participate in club and state-level events. As noted in Section 2, there are some 34,600 motor sport club members in Victoria alone, and around 30% of club members are in regional locations. This indicates that there is substantial demand within regional Victoria for high quality racing facilities. CAMS notes that, in the case of Mildura, there is a strong following of motor sport disciplines, but the region has been poorly served in terms of quality facilities. In particular, the Mildura region (and regional Victoria more generally) is in particular need of a quality bitumen race track.

Should the precinct go ahead, potential benefits for the sector include:

- Further development of motor sport champions. Historically, motorcycle sport has shone in Mildura, providing a number of Australian and International champions in this discipline. Development of champions in other disciplines has been hampered by the lack of facilities. Mildura has produced a number of National and International motor sport champions, including Victorian drag racing champion Phil Lamattina, 10-time Australian Solo Speedway champion Leigh Adams and Australian Superbike champion Josh Waters. This project would ensure that the region continues to produce champions of this caliber. Mildura currently has three Mildura race car drivers racing in the V8 Supercars, Todd and Rick Kelly and Cameron Waters. The opportunity to build a new race track could offer more opportunities in this discipline. Mildura is also home to drag racing champion Darren Morgan, who is also supportive of the project
- Bitumen surfaced racetracks throughout Australia have experienced strong growth in demand for non-event uses, including corporate, driver training, drive days and trades / motorcycle come and try days. This has enhanced their sustainability, and provided opportunities for the sector to attract new participants and supporters. The precinct in Mildura would be able to take advantage of this growth, and play a role in attracting new participants and club members. Please note that a large number of letters of support in favour of the racetrack from motor sport clubs (attached in Appendix I.

As noted previously, CAMS believes that there are likely synergies between the Mildura precinct and the motor sport facilities at Tailem Bend and Swan Hill. In particular, CAMS considers that there is an opportunity to develop a 'motor sport valley' encompassing in Mildura and the region. This in part has been achieved in NSW (Sydney Motor sport Park which has learning and development centre aligned to motor sport industries). Sydney Park has a number of motor sport industries around it but nothing which ties it together. Barbagallo Raceway (Perth) was also considered as a potential business opportunity, with the placement of 100 garages within the complex which are rented and cars are serviced by the local motor industry.

Figure 16 Location of motor sport facilities at Mildura, Tailem Bend and Swan Hill

In summary, all of the options will have a positive impact on sector development. Project Options 4 and 5 will have a bigger impact than the others, driven by the greater variety of events and disciplines for which they would cater.

5.6 Economic impacts

The economic impact assessment considered:

- The net economic impacts on Mildura
- The net economic impacts on the State.

Economic impact results have been presented as follows:

- Economic impacts have been categorised between first round and flow-on impacts:
 - First round impacts represent the direct impact of a change or 'shock' to the economy. In this instance, it represents the impacts associated with the direct expenditure from tourists or construction as a result of the new motor sport precinct
 - The flow-on impacts represent the second, third and further 'rounds' of spending resulting from the initial change in the economy. For instance, tourism spend in local retailers will mean additional income for local shop owners who in turn, will spend some of the additional funds on local goods and services.

All economic impacts identified are new. That is, they do not count existing economic activity in the economy, and represent new activity resulting from the development of the motor sport precinct.

It is also important to note the opportunity cost of the base case – the lost growth potential as well as the dis-benefit to the local economy and state (in the form of lost Gross Regional Product), jobs and impact on other co-dependent industries) of not investing in the project.

CAMS has noted the potential that the motor sport precinct would have in attracting a diversity of events, such as sprints, junior driver racing and Motorkhana.

Detailed assumptions are contained in Appendix G.

Net economic impacts for Mildura

Net economic impacts for the Mildura region were calculated using the following approach:

- Tourism and construction spending impacts were estimated for the region. This equates to additional or new spending in the region arising as a direct result of the new motor sport precinct. It does not consider spending that already takes place in the region through the use of existing facilities
- These were then applied to a series of Input-Output multipliers, from the ABS. The “income” multiplier was used in this instance. This multiplier approximates a “value added” approach to modelling economic benefit. Value added refers to the net result of a change to the economy. In this case, it means the additional spending in the region (e.g. additional sales) less the input costs (e.g. materials, utilities). The remainder represents the ‘surplus’ (realised through profits or wages)
- Impacts were modelled over 30 years, which is the modelling period for building based infrastructure accepted by DTF, on the basis that it represents the typical ‘life’ of a building asset before major redevelopment or upgrade may be required.

The value added impacts for tourism by project option over a thirty year period are illustrated below.

Table 16 Value added impact (tourism), thirty year period

Project option	First round impact (\$m)	Flow-on impact (\$m)	Total (\$m)
Option 1	\$44.73	\$100.07	\$144.80
Option 2	\$52.76	\$118.05	\$170.81
Option 3	\$52.76	\$118.05	\$170.81
Option 4	\$380.95	\$852.30	\$1,233.25
Option 5	\$201.03	\$449.76	\$650.79

The most favourable economic impact is Project Option 4, with a \$1,233 million impact over the 30 year period. The other projects all have a 30 year economic impact of between \$144.8 million (Project Option 1) and \$650.79 million (Project Option 5).

The much larger economic impact of Project Option 4 reflects the extensive facilities (revenues) from the first year of operation compared to the other options. Assumptions about the number and type of events and utilisation for each option are contained in Appendix G.

The construction impacts for the Mildura region are also significant. The value added impacts are contained in the following table.

Table 17 Value added impact (construction), thirty year period

Project option	First round impact (\$m)	Flow-on impact (\$m)	Total (\$m)
Option 1	\$2.97	\$14.48	\$17.45
Option 2	\$4.22	\$20.62	\$24.84
Option 3	\$5.27	\$25.73	\$31.00
Option 4	\$9.78	\$47.73	\$57.51
Option 5	\$10.83	\$52.88	\$63.71

The capital expenditure represents a transfer to Mildura from the rest of Victoria. The investment will provide opportunities for direct local employment and will have impacts up and down the supply chain, with materials and supplies being sourced from local providers.

The results for the two value added impacts are outlined below.

Table 18 Value added impact (tourism and construction), thirty year period

Project option	First round impact (\$m)	Flow-on impact (\$m)	Total (\$m)
Option 1	\$47.70	\$114.55	\$162.25
Option 2	\$56.98	\$138.67	\$195.65
Option 3	\$58.03	\$143.78	\$201.81
Option 4	\$390.73	\$900.03	\$1,290.76
Option 5	\$211.86	\$502.64	\$714.50

All of the project options have a favourable impact on Mildura's economy over 30 years. Overall, the most favourable impact to the Mildura region accrues as a result of Project Option 4, with a total 30 year economic impact of \$1.29 billion.

Estimated job creation as a result of each option is outlined below. The vast majority of employment will be created away from the actual precinct through related industries such as accommodation, retail and food and beverage. The following table shows employment impacts at Years 1, 10, 20 and 30 for each project option. Year 1 is high because of the employment generated by construction.

Table 19 Employment creation, direct and indirect (tourism and construction)

Project option	Year 1	Year 10	Year 20	Year 30
Option 1	324.2	86.5	100.6	83.1
Option 2	440.3	100.8	118.8	102.7
Option 3	527.9	100.8	118.8	102.7
Option 4	1350.8	674.8	881.2	885.2
Option 5	324.4	197.3	662.5	766.0

Net economic impacts for Victoria

The net economic impacts for Victoria have been derived in a similar way as for the regional results for Mildura. Key differences are, however:

- The state wide economic impact only considers additional tourism (from interstate). This estimate captures the impact on economic activity of new tourists coming to the state. This makes sense because motor sport events and activities attract significant numbers of interstate participants and spectators
- It does not consider construction impacts. The capital spending is assumed to come from the Victorian Government. By extension, we assume that if this funding was not used for capital spending on the precinct, it would be used for another capital project elsewhere in the state. Therefore, it has a zero net impact on the broader state economy.

Net economic impacts by project option are outlined below.

Table 20 State wide economic impacts (value added), thirty year period

Project option	First round impact (\$m)	Flow-on impact (\$m)	Total (\$m)
Option 1	\$50.71	\$122.67	\$173.38
Option 2	\$60.66	\$148.86	\$209.52
Option 3	\$61.89	\$154.87	\$216.76
Option 4	\$413.61	\$955.80	\$1,369.41
Option 5	\$224.94	\$536.96	\$761.90

Overall, Project Option 4 would have the biggest impact on the State economy over 30 years, with a value added impact of \$1.37 billion. The other project options vary from \$173.4 million (Project Option 1) to \$761.9 million (Project Option 5).

Tourism impacts are higher across the state than for the Mildura region. The reason is because of expenditure 'leakage', with the proportion of new spending remaining in Mildura lower than for Victoria overall. For instance, new expenditure in Mildura is expected to accrue in part the broader Victorian economy (e.g. through the importation of supplies of goods and services into Mildura from elsewhere in the State).

5.7 Overall evaluation of socio-economic and environmental impacts

Cost benefit analysis (economic evaluation)

The cost benefit analysis (CBA) has been developed using the following:

- Costs are represented by the capital cost of each project option. This is appropriate, as it represents the cost to the State
- Benefits are represented by the net economic impacts for the whole State. Benefits have been derived for 30 years of economic impact, using the value added methodology outlined above. This is consistent with DTF guidance for Cost Benefit Analysis
- Costs and benefits are presented in present value (i.e. discounted) terms.

The CBA for each of the project options is outlined below.

Table 21 Outcome of Cost Benefit Analysis, project options (NPV)

Project option	Costs (\$m)	Benefits (\$m)	Benefit Cost Ratio
Option 1	\$21,783,538	\$173,378,301	7.96
Option 2	\$31,080,278	\$209,519,838	6.74
Option 3	\$38,827,406	\$216,762,952	5.58
Option 4	\$72,194,609	\$1,369,416,991	18.97
Option 5	\$49,380,331	\$761,893,844	15.43

All of the project options return a positive Benefit Cost Ratio (BCR) over the forecast period. Project Option 4 has the most favourable BCR of 18.97, consistent with the substantial economic benefits associated with this option. The next most favourable option is Project Option 5 with a BCR of 15.43, although much of the benefit accrues in the second half of the forecast period, once the full facility has been built and is in operation. Project Option 1 is also favourable, driven by the relatively low level of capital investment required for this option compared to the benefits derived.

In addition to the above, all of the project options would be multi-use, with the ability to be used for other community, social and economic events such as field days, product launches, functions, community events and business events.

5.8 Financial analysis

Overall financial analysis for project options

The following table outlines the estimates revenues and costs associated with each project option. The estimates are based on a 30 year forecast period.

Table 22 Financial summary by Project Options (NPV)

Category	Option 1	Option 2	Option 3	Option 4	Option 5
Revenue	\$23,709,885	\$25,827,711	\$26,282,540	\$63,551,513	\$35,595,752
Expenses	\$15,858,553	\$20,515,688	\$24,637,968	\$44,001,699	\$27,698,531
Operating surplus	\$7,851,332	\$5,312,023	\$1,644,572	\$19,549,814	\$7,897,221

All of the options deliver an operating surplus over the 30 year period. The most significant surpluses are delivered by Project Options 4 (\$19.6 million surplus over 30 years in net present value terms), Project option 5 (\$7.9 million surplus in net present value terms) and Project Option 1 (\$7.85 million surplus in net present value terms).

This outcome reflects the following:

- Project Option 4 has the highest number and quality of revenue producing assets from day one of operation. While revenues are to a large extent offset by higher costs, the surplus position reflects the revenue generating capacity of the precinct under this option
- Project Option 5 generates significantly higher revenues from year 15 when the full facility is built
- Project Option 1 has a similar revenue generating capacity of Project Options 2 and 3, but with a significantly lower cost base.

Detailed revenue and expense data are contained in Appendix G.

Operating revenue

With all of the scenarios, the revenues ramp up over time, based on higher use of the motor sport precinct. Assumptions around revenues and facility use have been informed by:

- Consultation with CAMS, other industry bodies and motor sport clubs. This provided insight into facility charging, use levels, ancillary services, and sponsorship. While other venues were used as a benchmark, assumptions reflected the lower end of pricing scales, reflecting Mildura's relative isolation
- Examples of other motor sport facilities that have been developed. These have included facilities in Victoria, Queensland and elsewhere
- Consultations with MRCC about events and tourism in the region
- Previous reports that have been undertaken for the region with regard to motor sport feasibility and tourism
- Broader tourism data including tourism spend data.

All of the options assume a low level of use (see Appendix G) in the first year of operation which gradually ramps up over time. The variance in estimated revenue between options is driven by the different facility profile, each of which drive different levels of revenue. Additionally, the results for Project Option 5 recognise the staged approach, with growth in revenues picking up towards the end of the 30 year period, as facilities come on line.

Key sources of revenue for each project option are outlined below.

Table 23 Estimated sources of revenue: all project options (present values)

Source of revenue	Option 1	Option 2	Option 3	Option 4	Option 5
Membership Revenue	\$147,194	\$147,194	\$147,194	\$195,861	\$160,260
Rider Revenue - Adult	\$923,451	\$923,451	\$923,451	\$4,118,601	\$1,780,916
Rider Revenue - Junior	\$84,676	\$84,676	\$84,676	\$617,387	\$227,640
License Revenue	\$573,722	\$573,722	\$573,722	\$2,686,051	\$1,140,600
Spectators - Small/Regular Events	\$2,737,942	\$2,737,942	\$2,737,942	\$9,111,696	\$4,446,951
Spectators - Major Events	\$2,129,647	\$2,129,647	\$2,129,647	\$10,148,907	\$4,307,023
Facility Hire	\$2,225,572	\$3,285,368	\$3,285,368	\$4,345,164	\$3,267,077
Food Vendor	\$185,465	\$185,465	\$185,465	\$979,058	\$403,579
Additional Facilities	\$0	\$254,351	\$709,180	\$718,012	\$389,262
Kiosk Profit from sales	\$4,437,743	\$4,746,850	\$4,746,850	\$7,491,112	\$5,447,311
Bar Sales	\$8,366,619	\$8,861,190	\$8,861,190	\$13,118,688	\$9,946,147

Source of revenue	Option 1	Option 2	Option 3	Option 4	Option 5
Sponsorship	\$1,897,854	\$1,897,854	\$1,897,854	\$10,020,976	\$4,078,987
Total Revenue	\$23,709,885	\$25,827,711	\$26,282,540	\$63,551,513	\$35,595,752

The conclusions from these estimates include the following:

- For the less capital intensive options (Project Options 1, 2 and 3), revenues are largely driven by spectator entry fees, facility hire (racetrack, skid pan), as well as profits from ancillary services catering for events (kiosk and bar). The spectator fees and ancillary services accrue as a result of events (small and major events). It is worth noting that event demand and visitation is not driven by the participation of clubs. Instead, it is based on levels of utilisation (and the attraction of new events to Mildura), based on precedents elsewhere, such as Hidden Valley in the Northern Territory and Queensland Raceways (which operates two circuits at Lakeside Park and the Queensland Raceway). None of these facilities are dependent on being co-located with a motor sport club for their utilisation and events calendar.
- The facility hire is in part driven by training days, education and corporate use of facilities. These have been based on experience of other racetracks. For instance Barbagallo in Western Australia has noted that facility utilisation in the first year was around 70%, while the model for this precinct assumes a starting utilisation of just 55%. The financial and economic assumptions underpinning estimates of revenues must, therefore, be considered conservative. While the key drivers of revenue are similar for Project Option 4, spectator revenue and ancillary service revenue is much higher because of the increased number and quality of racing and support infrastructure. Similarly, the potential levels of sponsorship are significantly higher, driven largely by major events
- Project Option 5 combines the revenue generating potential of Project Option 4 only after the proposed site expansion at Year 15. For this reason, the revenues are lower, and the ramp takes place at a much later stage.

Detailed assumptions are contained in Appendix G.

Operating costs

Operating cost estimates have been developed through a similar process to the revenue estimates, these being:

- Consultation with CAMS, other industry bodies and motor sport clubs. This provided insight into facility charging, use levels, ancillary services, and sponsorship
- Examples of other motor sport facilities that have been developed. These have included facilities in Victoria, Queensland and elsewhere
- Experience in developing cost models for other motor sport facilities.

Operating costs have been divided into five categories:

- Staff Costs – each option has an assumed level of Full Time Equivalent (FTE) staff, with the number of FTEs for Project Option 5 increasing over time. For instance, Project Option 1 assumes three FTEs, while Project Option 4 assumes 7 FTEs. These staff profiles have been developed through consultation and benchmarking
- Running Costs – these include electricity, waste management, cleaning, insurance and site maintenance. These costs are assumed to be 1.5% of estimated total capital cost and occur annually. This estimate has been developed through consultation with CAMS and benchmarking with other sites
- Replacement costs – the model assumes that the tracks will need to be replaced every 15 years. This is in addition to annual maintenance of the site
- Other costs – these include allowances for marketing, administration costs and other minor expenditures.

Additional information is contained in Appendix G.

5.9 Risk comparison

Each of the options faces a number of risks. These are described in the following table.

Table 24 Project risks

Risk	Description	Impact if risk is realised
Construction and phasing risks	<p>This is a financial risk associated with the escalating costs of construction. The two components of the risk are that:</p> <ul style="list-style-type: none"> • Construction costs may be greater than estimated • The phasing of the project (envisaged in Options 2-4) mean that construction costs may escalate faster than expected. 	<p>Significant. A miscalculation on capital costs could lead to delays to the project, or a sub-optimal project outcomes, with fewer than anticipated benefits realised.</p>
Level of engagement and support from the motor sport clubs, Council and the community	<p>The success of the facility under any of the project options will depend in part on the level of support from motor sport clubs and associations, Council and the broader community. Key elements of this risk include the following:</p> <ul style="list-style-type: none"> • Mildura-based motor sport clubs do not support the precinct either through re-locating all their activities to it, or through use of the facility for events and training. This could reduce demand for the new facility and consequently reduce the financial and demand feasibility of the project • Motor sport peak bodies do not support or endorse the project, meaning that national and State level events would be less likely to take place at the precinct • A change in Council results in less support for the project, meaning less advocacy to the Victorian Government and other funding entities. This would decrease the likelihood of the precinct being funded • A change in the level of community support, or significant community opposition. This could occur in the event that the community perceived the facility to be only for the benefit of a narrow group of motor sport participants. This would reduce the likelihood of support from clubs, Council and the State Government. 	<p>Significant. The success of this precinct will depend in part on the engagement by local clubs, motor sport associations and the community.</p> <p>This risk is being mitigated through extensive consultation with motor sport clubs, CAMS and the community through the development of the project.</p>
Financial risk from operations	<p>There is financial risk associated with the operations of the facility, regardless of the project option. The key risk is that the level of financial sustainability envisaged will not be realised, as a result of factors such as:</p> <ul style="list-style-type: none"> • Competitor participation and visitation being less than forecast, resulting in lower than expected revenues • Maintenance and running costs for the facility being higher than expected, resulting in an operating loss. This risk would increase as the facility became bigger, with more staff and higher overheads. <p>Each of these risks would reduce the financial sustainability of the precinct.</p>	<p>Significant. A situation where revenues are less than anticipated or expenses are higher than anticipated would challenge the long term sustainability of the precinct.</p> <p>As far as possible, revenue and expense estimates are based on the low end of benchmarks experienced by other facilities, to minimise the likelihood that financial impacts have been overstated.</p>

Risk	Description	Impact if risk is realised
Inadequate provision of utilities (water, electricity) leading to project delays	The provision of utilities has been generally factored into the cost estimates for this assignment. However, given the relative isolation of the site, there is a risk that the costs of service provision may be higher than anticipated, or take longer than anticipated to put in place.	Minor. Provision of utilities on site has been generally considered as part of the scope. As site owner, Council may be able to assist with facilitating adequate service provision.
Additional cultural heritage or environmental issues during preconstruction / construction results in project delays and/or additional scope	While a cultural heritage review has been undertaken as part of this project, there is a risk that additional cultural heritage or environmental issues are identified during the pre-construction and/or construction phases.	Minor. Extensive environmental studies on the Block H have been completed and native vegetation issues have been largely identified. Should additional issues emerge, these are likely to be able to be managed through the design/layout of the precinct.
Competition from other facilities	As noted in the Business Case, there are motor sport facilities at Swan Hill and Tailem Bend (South Australia) which have recently attracted significant public funding. While groups such as CAMS has advised that they expect these facilities to work in a complementary fashion, there is a risk that they may compete for events and visitation. This could have an adverse impact on revenues (as competition pushes costs down), as well as expenses (as competition increases expectations around the quality and quantity of services and facilities).	Minor. The distance from other sites means that competition between them is unlikely to be significant. CAMS has indicated that the focus of each site is different (e.g. Tailem Bend will focus on national events compared to a more community focus for Mildura). This means that facilities are more likely to complement than compete.
Cost of competitor participation	Depending on the discipline, costs for competitors in events can be very high. For instance, with drag racing, the costs associated with transport to and from the venue, entry fees and insurance, accommodation, fuel, team costs and other expenses can be in the order of \$2,000-\$2,500 for a single weekend event. The ability of competitors to participate in events in Mildura could be negatively impacted by changes in insurance charges, fuel costs or other cost elements, which would make the sport less affordable than currently. This could, in turn, reduce participation at some events, particularly in an isolated venue such as Mildura.	Minor. Mildura has a high level of participation in motor sports compared to the State average. Competitors recognise the significant financial costs of participation, but accept this cost because of the passion for their respective disciplines.

Each project option has been assessed against each of these risks. A simple rating system (low, medium, high) was developed, and this has been supplemented by the additional ratings of Low-Medium (L-M) and Medium-High (M-H) to assist in differentiating between risk assessments for each option. The rating system is defined below.

Table 25 Rating approach for risk assessment

Risk rating	Definition
Low (L)	There is little likelihood that this risk will be realised.
Medium (M)	There is some potential for this risk to be realised.
High (H)	There is a significant likelihood that this risk will be realised.

Ratings by project option and by risk are illustrated below.

Table 26 Risk assessment of project options

Risk	Option 1	Option 2	Option 3	Option 4	Option 5
Financial – construction and phasing risks	M	M-H	M-H	H	M
Stakeholder support – level of engagement and support from the motor sport clubs, Council and the community	L-M	L-M	L-M	M	L-M
Financial – risk from operations	L	L-M	L-M	M	L
Inadequate provision of utilities (water, electricity) leading to project delays	L-M	L-M	L-M	M	L-M
Additional cultural heritage or environmental issues during preconstruction / construction results in project delays and/or additional scope	L	L	L	L	L
Competition – from other facilities	L	L	L	M	L-M
Demand – cost of competitor participation	L	L	L	L	L
Overall risk assessment	L	L-M	L-M	M	L-M

Overall, Project Option 1 is the lowest risk option. It is characterised by:

- Lower levels of financial risk from operations and construction
- Lower risk of stakeholders not being fully supportive.

For the other risks identified, Option 1 has a similar risk profile to the other project options.

Project Option 5 has a low to medium risk profile, with the staging of the full precinct (and the flexibility associated with staging) ensuring that construction and operational risks are kept to a minimum.

5.10 Integrated analysis and options ranking

The integrated analysis, or Multi-Criteria Analysis (MCA) and options ranking brings together all of the different analytical components into a single framework. This enables us to assess each project options using a mix of quantitative and qualitative criteria.

For the MCA, the criteria for each of the five options have been ranked using a basic scoring system:

Very positive impact	
Moderately positive impact	
Neutral impact	
Slightly negative impact	
Very negative impact	

The summary of the Cost Benefit Analysis (CBA) and MCA is outlined in the following table.

Project option	Costs (\$m)	Benefits (\$m)	Benefit Cost Ratio
Option 1	\$21,783,538	\$173,378,301	7.96
Option 2	\$31,080,278	\$209,519,838	6.74
Option 3	\$38,827,406	\$216,762,952	5.58
Option 4	\$72,194,609	\$1,369,416,991	18.97
Option 5	\$49,380,331	\$761,893,844	15.43

Table 27: Presenting the results of the options analysis, with multi-criteria analysis*

	Option 1	Option 2	Option 3	Option 4	Option 5
Analysis Period (years)	30 years	30 years	30 years	30 years	30 years
Capital Costs (\$m)	\$21.78	\$31.08	\$38.82	\$72.19	\$49.38**
Output Costs (\$m)	-	-	-	-	-
Cost-Benefit Analysis (of monetary costs and benefits discounted at the appropriate Discount Rate)					
Present Value of Benefits (\$m)	\$173.38	\$209.52	\$216.52	\$1,369.42	\$761.89
Present Value of Costs (\$m)	\$21.78	\$31.08	\$38.82	\$72.19	\$49.38**
Benefit Cost Ratio	7.96	6.74	5.58	18.97	15.43
Net Present Value (\$m)	\$151.60	\$178.44	\$177.70	\$1,297.23	\$712.51
Multi-Criteria Analysis (ranking of intangible costs and benefits, if any)					
Social impacts					
Externalities					
Native vegetation					
Economic impacts					
Financial sustainability					
Development of motor sport sector					
Cultural heritage					
Project risks					
Preferred option (ranking)	3	4	5	2	1

***Note on rating system**

For economic impacts: economic impacts up to \$100 million are considered as a moderate impact. Economic impacts above \$100 are considered a moderate economic impact.

For financial sustainability: operating surpluses up to \$10 million are rated as moderate. Operating surpluses greater than \$10 million are rated as very positive.

For project costs: project capital costs less than \$50 million are rated as slightly negative. Project capital costs above \$50 million are rated as very negative.

** \$71.43 million over the whole 30 year period

All of the Project Options have reasonably low risk profiles. Project risks are higher for Project Options 4 and 5, reflecting the broader scope and higher cost for these options. Given Mildura's successful track record in managing capital projects, this project would be planned and managed appropriately, in a way to minimise risk to taxpayers and ratepayers.

6.0 Part 5 Deliverability of recommended solution

6.1 Details of recommended solution

Project Option 5 is considered to be the preferred project option at this stage. While Project Option 4 would deliver higher economic benefits, there are higher up front (capital) costs and a higher risk profile that makes Project Option 5 the preferred at this stage. Project Option 5 would ultimately deliver the same facility as Project Option 4, but in a staged manner which would reduce financial and operational risks.

The key findings from this analysis may therefore be summarised as follows:

- Project Option 5 offers a favourable BCR of 15.43, which is the highest BCR of all options except Project Option 4. This represents a very positive return on investment
- Project Option 5 addresses the key problems set out in Section 1 of this Full Business Case. It will deliver social amenity and benefits, provide employment opportunities to the community, and attract new tourism to MRCC
- Stage 1 of Project Option 5 represents a relatively low-cost initial investment of \$21.8 million. Additionally, a development on this scale minimises the risks associated with construction and operations. This option includes a raceway and skidpan
- As noted above, while Project Option 4 potentially offers a greater economic return, it has a higher up front cost and risk profile than Project Option 5. For that reason, Project Option 5 is preferred.

The recommended solution (Project Option 1) has the following characteristics.

Facilities

Phase 1 of Project Option 5 requires the following facilities to be constructed:

- A three kilometre long bitumen race track which meets CAMS specifications
- A 450m²skid pan
- Enhanced drag racing pit provision and marshalling area
- An 800m²pits area
- A control tower, lighting, and maintenance area
- A 300 car bitumen carpark, which doubles as a venue when needed
- A function suite and camping area
- Office & basic facilities (toilets, storage, catering).

The remaining stages of Project Option 5 are outlined in Section 4.1. Engineering drawings of the racetrack have been provided separately.

Site masterplan

A masterplan has been developed for the site, and is contained in Appendix K. The masterplan shows the final stage Project Option 5 plan, containing all the elements to be contained in the final stage of the development.

The masterplan has been developed following extensive input and consultation with CAMS, Motorcycle Australia, Mildura-based motor sport clubs, local motor sport champions, and other stakeholders.

The racetrack alignment and design has been developed to provide as a competitive, challenging circuit to all disciplines other than Formula One. CAMS and Motorcycle Australia worked with MRCC and AECOM to develop the design to allow for the contour of the site as well as the circulation needs of the whole precinct. Sufficient area has been set aside to expand the track length by between 0.5-1 kilometres in the future, should it be feasible to do so.

Other issues that were considered in the masterplan included the following:

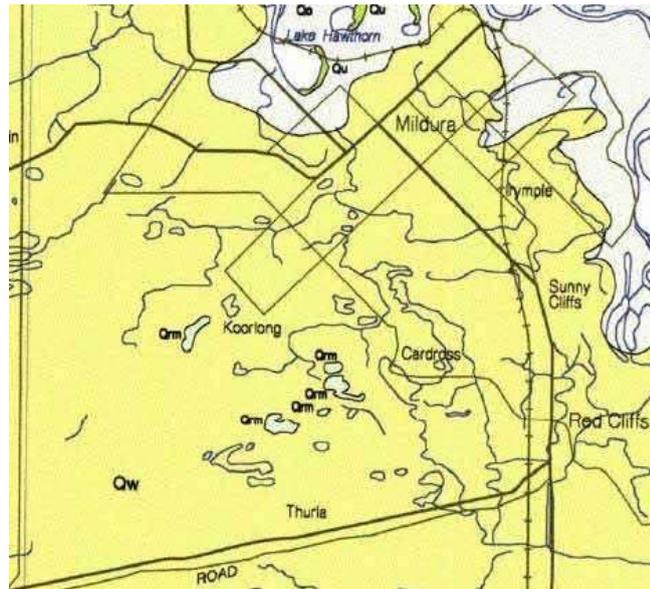
- The bitumen tracks are located in the north of the precinct, and have been sited to allow each to be accessible from a common 'destination zone', comprising pits, paddock, race tower, administration facilities, a medical room, function centre, product launch area, garages, fuel store and maintenance area
- The dirt tracks are situated in the Southwest corner of the site, to ensure maximum separation from the bitumen facilities. This will minimise the amount of dust from the dirt tracks that will settle on the bitumen facilities. There is a minimum distance of around 900 metres from nearest dirt track to the main bitumen course to prevent the drifting of dust. This design has taken advantage of the prevailing winds and maximised the spaces that the site offers
- The primary skid pan has been located outside the main bitumen circuit, together with all other highly used facilities. No facilities have been sited within the race track, on the basis that this would impede access to and from such facilities when the racetrack was in use
- The main access road uses existing roads as much and as efficiently as possible, to minimise additional road construction costs
- The main racing circuit, drag strip, jet boat course and karting track have been located close together to enable use of common facilities, and to take advantage of larger concentrations of crowd numbers (assisting in the creation of 'atmosphere')
- The areas of ecological significance effect the layout with some areas requiring fencing, however these have been avoided and could possibly become features of the site. Similarly, the very north of the site has not been used because of potential cultural heritage disturbance
- A series of car park allow visitors and competitors to easily access the various tracks and courses using the main access road
- A minimum of 1,000 meters from dwelling for all tracks has been observed.

Geotechnical assessment

A desktop review of geotechnical conditions was undertaken based on a review of publicly held information.

The Geological Survey of Victoria 1:250,000 Geological Map Series (Seamless Geology), Mildura Sheet, indicates variable geological features across the site, with one predominant condition.

Figure 17 Excerpt from Geological Survey of Victoria 1:250,000 Geological Map Series – Mildura Sheet SI 54-11, Edition 2 May 1997



The most predominant geology comprises Pleistocene to Holocene Aged unconsolidated dune deposits (Q_w and Q_m). They are mostly in the form of red-brown siliceous silty sand, red calcareous silty clay and sandy clay, known as the Woorinen Formation. At the surface, the most common material at the surface is sand, without calcareous nodules and clay. Calcareous nodules and palaeosols are common beneath the surface.

Sandy soils can be good founding materials if they can be managed to be confined or protected but generally they are prone to erosion and collapse when exposed or not protected, particularly when they are intercepted below the groundwater.

At the north of the subject area, a low lying lake / watercourse area is apparent, where Pleistocene to Holocene Aged swamp and lake deposits are likely. They are present in the form of grey to black carbonaceous mud, silt, clay and minor peat.

Further, there are several areas across Block H which are the sites of abandoned quarries, in particular an area in the north east, on the south side of Twenty Third Street. These areas should be avoided from the proposed development unless any risks associated with the development (such as contamination or unstable ground due to the quarrying activities) can be specifically addressed as part of the development.

In areas where the site has been developed, e.g. to the north and west of the site where tracks and existing motor sport facilities are observed, there is a likelihood that a layer of anthropogenic fill material is likely to be present from the surface. The thickness of such material is currently unknown and need to be assessed to be part of the site investigation if any development is proposed in these areas.

The geology of the area can present challenges and opportunities with respect to the design, construction and operation of the proposed motor sport facilities. They can include but not limited to the following:

- Whilst shallow excavations in sandy materials may be relatively simple, there is a risk that exposed batters may be unstable as the sand lacks cohesion. Deeper excavations, should they be required beyond say 1.5 metres, are likely to require temporary and/or permanent support. An appropriate dewatering methodology may be required if the excavation needs to be extended to below the ground water.

- An opportunity to maintain long term stability of batters and exposed surfaces is to implement effective surface drainage design, as well as utilise vegetation and if required, geosynthetics typically utilised for erosion control. Erosion adjacent to buildings must be minimised to reduce any risks relating to footing performance.
- Effective compaction of sandy materials at subgrade or at the floor of excavations for pavement and footing construction can be problematic. A stronger understanding of the in situ material will assist in understanding the extent of design features and construction controls that may be required to achieve suitable working platforms for pavements, as well as building and structure footings.

The approaches could range from a combination of simple moisture conditioning as part of the compaction process, through to placement of multiple layers of working platform materials which include coarsely graded granular materials or bound materials, along with relevant geotextiles and geogrids. Depending on loading and long-term certainty sought, deep compaction methods (such as impact rolling and dynamic consolidation) may be required, although are unlikely based on the scope of buildings and pavements being contemplated.

- Should a watercourse be included, lining via the form of a capping material and/or geosynthetics (e.g. HDPE) will likely be required depending on the permeability of the subgrade soils. This will need to include some overlying materials to minimise risk of damage to the liner from contact by a motorboat;
- An opportunity that can result from the presence of predominantly sandy materials at subgrade level, relates to the development and provision of relatively strong and uniform support (such as bridging layer) on which to construct pavements. While additional effort and materials may be required to achieve a stable working platform, that platform and subgrade could contribute to a shallower pavement requirement.
- Provision of a strong and uniform platform at the base of excavations shall facilitate the use of shallow footings for most, if not all structures and buildings. Depending on the loads and operational tolerances of the proposed buildings, a spread footing system, such as strip, pad and slab on ground, should be suitable.
- Taller structures, such as the Control Tower and lighting poles, are likely to require deeper footings (such as screw piles and bored piles) to provide suitable support, but also withstand likely uplift effects and lateral loadings. Gravity type of footing may be an alternative supporting system if construction of bored piles are of a problem due to the collapsing soil conditions.

As the project develops and a stronger understanding is provided regarding the features to be included in the facility, along with their likely location, it is recommended that staged geotechnical and environmental investigations be undertaken in order to provide increased understanding regarding the areas of highest risk, i.e. improve understanding of geotechnical conditions where significant structures are likely to be located, understand subgrade conditions along areas of tracks and hardstands, identify potential risks to health or the environment during the construction and operational from any potential contamination of in situ materials or groundwater.

Further, the investigation should also provide an assessment of the suitability of the available materials (i.e. potential borrow pits) within the site that could be used for production of pavement and other construction materials.

The site investigation should include a review of relevant documentation relating to the design and construction of the features at the site, including quarry records.

6.2 Commercial and financial

Procurement

The procurement strategy for the project is developed based on assessment of the objectives, project characteristics, risks and overall value-for-money considerations, as discussed below.

Procurement objectives

The objective of the procurement is to satisfactorily manage the project risks and as a result successfully deliver the project with:

- **Certainty of project outcome:** controlling scope, cost and program
- **Quality of the project delivery process and project outcomes:** innovatively addressing the project's complexities to deliver a high quality project safely and effectively. This can include the involvement of stakeholders in the design process to secure effective project outcomes.
- **Value for money:** appropriately and effectively transfer risk to the party best able to manage it, in a way that the market understands and which encourages competition in the marketplace.

These objectives underpin the criteria adopted for the shortlisting and assessment of the procurement strategy.

Procurement options

It is anticipated that MRCC will deliver the procurement of this project, which will restrict the type of potential procurement models. The relevant models are described below.

a. Construct only

The construct only model involves the contractor being given a design which must be followed in construction. This model requires a fully resolved design supplied by the Principal. This method gives greatest control for Council and certainty over contract value and is generally suited for uncomplicated projects where the risk of latent conditions, design changes or sponsor caused delay is low. Design costs and risks are borne by the Principal, which lower tendering costs and provide greater scope for competitive prices. Disadvantages of this model include potential claims due to design deficiencies, and minimal opportunity for cost value management input from contractor into design.

b. Design and construct (D&C)

For a standard D&C contract, the Principal prepares a design brief and concept design which outlines the functional and key performance requirements for the works but is less fully developed than for a construct only contract. The Principal enters into a single contract with the construction contractor who is required to provide design expertise for completion of the detailed design, and construction of the works described in the design brief. This approach can achieve delivery time savings by allowing construction to commence ahead of full design documentation. It could however involve a higher tendering cost for the construction sector which bears both design and construction risks. The contractor normally warrants design including 'fitness for purpose', but the Principal retains whole-of-life asset risk. The D&C contract is generally recommended for uncomplicated projects where the scope is well-defined, risks can be articulated and managed, there is scope for competitive tendering and where there is some opportunity to generate savings based on design solutions and construction techniques.

c. Managing contractor/franchisee model

The Managing Contractor model involves the Principal appointing a head contractor (the managing contractor) who engages subcontractors to deliver the works. The managing contractor is engaged early in the process to manage the scope definition, design documentation and construction of the works, and accepts some delivery risk. In general, this model is considered only for complex or high-risk projects with uncertain scope or risks, and where a high degree of expert input is available and early contractor involvement is beneficial.

Given that MRCC has in-house project managers, this form of procurement is **not recommended**.

Market capability

There is a well-established building and construction industry in and around Mildura. Additionally, companies outside the immediate region may wish to tender for this project. This should ensure that there is an appropriate level of competition for this project, which in turn should drive value for money and efficiencies.

Similarly, there is considerable experience within Australia of design for precincts of this nature. Organisations such as CAMS have well-established specifications, and regularly work with constructors and designers to ensure that plans are fit for purpose.

For this reason, there is sufficient market depth and breadth in both design and construction to ensure a positive outcome from this project.

Assessment of potential procurement options

The table below summarises the assessment of potential procurement options against the evaluation criteria. We have focused on only the construct and D&C models for this assessment exercise.

Table 28 Summary of procurement methodology assessment

Rating system	Meets criteria poorly	Meets criteria moderately	Meets criteria well
---------------	-----------------------	---------------------------	---------------------

Criterion	Construct only	D&C
Certainty of project outcome		
Quality of delivery and outcome		
Optimise risk/value for money		
Conclusion	Recommended	Not recommended

Either procurement option would be appropriate for this project. However, construct only enables Mildura RCC to have a stronger level of control over design and specifications, to ensure that the precinct will meet the requirements of CAMS and the motor sport clubs. For this reason, the construct only approach is recommended for procurement purposes.

MRCC procurement management experience

MRCC has extensive experience in managing State and Commonwealth Government funding contracts, particularly in relation to recreational infrastructure, and has worked with many of our regional communities to develop, implement and monitor major projects and activities to meet identified planning and community needs.

The MRCC Grants Register details grants obtained from State and Commonwealth Governments since 2008 and lists 168 new projects, worth over \$40 million dollars (although not all of these are infrastructure based). MRCC has delivered 21 Federal projects valued at over \$6.8 million under the former Regional and Local Community Infrastructure Program (RLCIP) Rounds. Since 2011, MRCC has successfully delivered, or are currently delivering 17 Regional Development Victoria funded projects, worth over \$6.7 million. MRCC is currently delivering the State significant project, Stage one of the \$22 million 'The Mildura Riverfront Development Project'.

Examples of MRCC managed projects are listed below.

Table 29 Examples of MRCC managed projects

Project	Project value	Year of completion
Mildura River Front Redevelopment Project-Stage 1	\$18.3 million	Mid 2016
Mildura Arts Centre Redevelopment	\$8.9 million	2012
Langtree Mall Redevelopment (3 stage- development)	\$6 million	2013
Cardross Community Complex	\$2 million	2013
Merbein Community Hub	\$2.19 million	2013
Red Cliffs Library	\$910,000	2010
Blackspot Funding Projects (3 separate projects 2015)	\$1.4 million	2015-16
Mildura Tracks and Trails	\$550,000	End 2016
Carwarp Olam Road Access Project	\$1.4 million	2013

Recommendation of procurement approach and packaging strategy

Based on the assessment undertaken, the recommended procurement method is a construct only approach. This will minimise the design for MRCC and ensure that stakeholders (clubs, CAMS and others) are able to take an active role as the project develops.

Risk assessment and management

Project risks were described in Section 5.9 of this report.

The risks relevant to Project Option 1 and their management strategies are outlined in the following table.

Table 30 Key risks to the success of this investment

Risk	Management strategy
Construction risk	The project cost estimates have been developed based on experience with previous facilities. The estimates are adjusted for risk.
Engagement from motor sport clubs	Council has an ongoing engagement and communication strategy with local motor sport clubs about this project, and about opportunities arising from it. Should funding be approved, Council will engage the clubs around issues such as final precinct design, events and business strategy, marketing and community engagement.
Financial risks from operations	The precinct will be managed by professional FTEs. Prior to commencing operations, a detailed business and marketing plan will be put in place.
Inadequate provision of utilities	The adequacy of utilities will be examined as part of the detailed design and planning phase of this project, should funding be provided.
Cultural heritage or environmental issues	A cultural heritage review was undertaken and found no significant issues with the site. A native vegetation assessment has been completed and has recommended sections of the site to be protected from further development.
Competition from other facilities	Council is working with CAMS to ensure that the motor sport precinct is coordinated with other facilities in the region. CAMS regularly works with different facilities to ensure event complementarities between them. Council will separately engage with facility managers at Swan Hill and Tailem Bend to examine ways in which the three facilities can work together.
Cost of competitor participation	The track and other assets will be built in accordance with CAMS specifications, with a high level of safety provisions. This will help to manage the cost of insurance for clubs and participants, which is one of the key drivers of cost.

MRCC will continue to monitor risks as part of the project management of the motor sport precinct.

Detailed costings and economic evaluation

This project requires capital funding only.

Detailed project costings are contained in Appendix F. Key economic assessment assumptions and data inputs are contained in Appendix G.

Table 31: Headline project cost element summary (initial investment)

Element	Estimate
Base cost estimate	\$15,340,520
OTR -FF&E Allowance ¹	\$767,026
OTR -Design and Construction Contingencies	\$3,068,104
OTR -Professional Fees ¹	\$2,607,888
Project budget	\$21,783,538

Table 32: Detailed cost estimates (initial phase only)

BASE COST ESTIMATE	
Effective date of BCE: 10/09/15	\$
Estimated date of commencement of construction: 01/10/17	
Siteworks	
Site Preparation incl. clearance, demolitions, bulk earthworks, dewatering & contaminated soil alleviation, site retaining walls	\$421,920
Bitumen Racing circuit	\$1,512,000
Camping area	\$17,600
Pits area	\$17,600
Skidpan track	\$99,000
Sub-total	\$2,068,120
Building	
Administration Building	\$746,400
Maintenance Shed	\$469,500
Washdown Facility	\$147,200
Enhanced Washdown Facility	\$58,880
Camping area Wet Facilities	\$284,320
Covered Pit Bay areas	\$1,016,000
Control Tower and Platforms	\$243,600
Sub-total	\$2,965,900
External works	
Motor sport Parking	\$594,000
Enhanced Drag Racing pit	\$28,000
Skidpan track	\$59,400
Road work	\$5,376,000
Bitumen Racing circuit	\$89,600
Pit Bay area	\$504,000
Landscaping and Irrigation	\$358,560
Sub-total	\$7,009,560
Services	

BASE COST ESTIMATE	
Effective date of BCE: 10/09/15	\$
Estimated date of commencement of construction: 01/10/17	
External Stormwater Drainage	\$176,080
External Sewer Drainage	\$97,340
External Water Supply	\$25,120
External Gas	\$81,640
External Fire Protection	\$81,640
External Light and Power	\$1,602,560
External Communication	\$704,320
External Special Services	\$528,240
Sub-total	\$3,296,940
Other costs	
FF&E Allowance	\$767,026
Design and Construction Contingencies	\$3,068,104
Professional Fees	\$2,607,888
Sub-total	\$6,443,018
Total budget (excl. GST)	\$21,783,538

Funding sources

There are a range of potential funding sources for this project, although the source of funding is yet to be confirmed. Potential sources of funding may include:

- The State Government, through the Tourism Demand Driver Infrastructure Program or the budget process
- The Commonwealth Government, through the Building Better Regions Fund
- Private or corporate investors or donors.

MRCC funding

MRCC is yet to finalise the level of financial or in-kind support that would be committed to this project. This decision will be subject to Council's four year budget planning cycle.

MRCC would provide the site for the precinct, which is measured in terms of land value. The total site value is \$601,000 (capital improved value). Block H comprises four assessments, although one of these is non-rateable and has not been assessed. Values for the four sites comprising Block H are detailed below.

Table 33 Site values, Block H

Assessment no.	Capital Improved Value	Site Value	Property address	Title details	Current occupant
19352	\$0	\$0	Twenty Third Street KOORLONG VIC 3501	Lot 1 TP 906117Q	Mildura Rural City Council
25467	\$568,000	\$50,000	181 Mercer Street KOORLONG VIC 3501	PtL 1 TP 906117Q	Sunraysia Drag Racing Association
25574	\$22,000	\$22,000	Mercer Street KOORLONG VIC 3501	PtL 1 TP 906117Q	Sunraysia Motor Sports Club
31721	\$11,000	\$11,000	Mercer Street KOORLONG VIC 3501	PtL 1 TP 906117Q	Dirtworx Moto Park

State Government

Ideally, MRCC will work with the State Government to identify an appropriate funding model for this project. There are several potential sources of State Government funding for this project.

In September 2016, the State Government released a new grants program, the Tourism Demand Driver Infrastructure Program, to fund major tourism infrastructure that provide economic and employment benefits. The program provides grants of between \$250,000 and \$750,000 towards tourism projects.

The motor sport precinct project should be strongly aligned to the new program, although the quantum of funding would be insufficient to allow the project to go ahead.

Alternatively, MRCC can seek a large grant through the State Budget process. In this instance, it will need to compete with a range of other initiatives from across Government. It will also need the support of regional Development Victoria, the Department of Economic Development, Jobs, Transport and Resources, the Minister for Regional Development and the Minister for Sport. This Full Business Case has been developed to enable MRCC to seek funding through the Budget process.

Commonwealth Government

The Commonwealth Government has established a new fund for regional projects, known as the Building Better Regions Fund (BBRF).

The purpose of the BBRF is to provide funding for rural and regional areas for funding for infrastructure projects. The fund has three infrastructure categories, depending on the size of the grant sought. Guidelines and requirements are available online.

The \$297.7 million Building Better Regions Fund (BBRF) supports the Australian Government's commitment to create jobs, drive economic growth and build stronger regional communities into the future. The program will fund projects in regional Australia outside the major capital cities of Sydney, Melbourne, Brisbane, Perth, Adelaide, and Canberra.

There are two streams of funding available under the program:

- Infrastructure Projects Stream
- Community Investments Stream.

The Infrastructure Projects Stream will support projects which involve the construction of new infrastructure, or the upgrade or extension of existing infrastructure that provide economic and social benefits to regional and remote areas.

Grant applicants can apply for a minimum grant amount of \$20,000 and a maximum grant amount of \$10 million.

The Community Investments Stream will fund community building activities including but not limited to, new or expanded local events, strategic regional plans, and leadership and capability building activities. These projects will deliver economic and social benefits to regional and remote communities. The minimum grant amount is \$5,000 and the maximum grant amount is \$10 million.

Other

There may also be an opportunity to attract funding from private or community investor donor sources, although these are yet to be confirmed.

A number of motor sport facilities are privately owned and/or operated, and appear to provide a commercial return on investment. For instance, the Tailem Bend facility, which recently attracted a grant from the Commonwealth Government, is being developed by a private consortium. This indicates that there may be opportunities for developers or other investors to become involved in the project as a partner. There may also be an opportunity to seek funding from superannuation or other investment fund vehicles.

As part of the of this project Council is developing an Investment Prospectus document aimed at attracting private or community investment. In addition the development of a 3D rendering and animation of the race track and facilities is being completed to assist potential investors to understand the opportunities of what the facility could look like in a visual format.

6.3 Management

Governance

The proposed project governance structure is illustrated below.

The **project owner** will be Mildura RCC. It is envisaged that the facility will be developed on Council-owned land, and Council will be the eventual owner of the assets.

We propose that the project be overseen by a **Project Control Group**. This will provide oversight for key stakeholders, including Council, the Victorian Government (potentially, through Regional Development Victoria), and CAMS. The role of this Committee will be to strategic guidance and direction of the project, as well as responsibility for ensuring that it is delivered within scope and budget.

The day to day Project Steering Committee would comprise representatives of MRCC. We expect that a designated project manager will be appointed by Council for this task.

Finally, a **stakeholder advisory committee** would be appointed to provide stakeholder and user input into the final design, layout and configuration. This would comprise groups from motor sports, education and elsewhere.

Figure 18 Proposed project governance structure



It is expected that the governance structure for the post-construction operations of the precinct would be developed during the project delivery phase.

Stakeholder engagement and communications plan

A detailed stakeholder engagement plan was developed to assist in the development of the Motor sport Business case and to inform stakeholder groups of progress and information on the project. A list of key stakeholder groups and their perspectives is contained in Section 5.2. This section provides details of the likely methods of engagement throughout the development of the project. Letters of support are contained in Appendix I.

Table 34 Stakeholder engagement

Stakeholder	Position on project	Engagement
<i>Government</i>		
Mildura Rural City Council	Positive	Council will continue to be briefed regularly on progress, and is the ultimate 'owner' of this project. Council business units will continue to be engaged at appropriate times throughout the business case development and project progression.
Victorian Government (Department of Environment, Land, Water & Planning)	Neutral	The Department has already been briefed on this project, and has provided advice. It will continue to be engaged through the project planning and delivery process.
Visit Victoria	Positive	Tourism Victoria has been briefed on the project and is broadly supportive, pending the completion of the business case.
<i>Motor sport clubs</i>		
Mildura Speedway Drivers Club	Positive	Mildura Speedway Drivers Club is part of the Industry Reference Group and has collaborated in the development of the business case. They will continue to be regularly briefed and consulted on as part of the project.
Mildura Kart Club	Positive	Mildura Kart Club is part of the Industry Reference Group and has collaborated in the development of the business case. They will continue to be regularly briefed and consulted on as part of the project.
Mildura Motorcycle Club	Positive	Mildura Motorcycle Club is part of the Industry Reference Group and has collaborated in the development of the business case. They will continue to be regularly briefed and consulted on as part of the project.
North West Victoria Motorcycle Club (Jambaroo Park)	Positive	North West Victoria Motorcycle Club is part of the Industry Reference Group and has collaborated in the development of the business case. They will continue to be regularly briefed and consulted on as part of the project.
Sunraysia Drag Racing Club	Positive	Sunraysia Drag Racing Club is part of the Industry Reference Group and has collaborated in the development of the business case. They will continue to be regularly briefed and consulted on as part of the project.
Mildura Melton V8 Jetboats	Positive	Mildura Melton V8 Jetboats forms part of the Industry Reference Group and has collaborated in the development of the business case. They will continue to be regularly briefed and consulted on as part of the project.
Sunraysia Motor Sports Club	Positive	Sunraysia Motor Sports Club is part of the Industry Reference Group and has collaborated in the development of the business case. They will continue to be regularly briefed and consulted on as part of the project.
<i>Motor sport peak bodies</i>		
Confederation of Australian Motor sport (CAMS)	Positive	CAMS forms part of the Industry Reference Group and has collaborated in the development of the business case. They will continue to be regularly briefed and consulted on as part of the project. CAMS has played a lead role in the design and planning of the staged development planning process, with specific design support for the bitumen race track and skid pan.

Stakeholder	Position on project	Engagement
Australian National Drag Racing Association (ANDRA)	Positive	ANDRA forms part of the Industry Reference Group and has been briefed on the project. They will continue to be engaged as the project develops.
Australian Independent Dirt Car Association	Positive	The Australian Independent Dirt Car Association forms part of the Industry Reference Group and has been briefed on the project. They will continue to be engaged as the project develops.
Motorcycling Australia	Positive	Motorcycling Australia forms part of the Industry Reference Group and has collaborated in the development of the business case. They will continue to be regularly briefed and consulted on as part of the project. Motorcycling Australia has played a lead role in the design and planning of the staged development planning process with specific design support for the bitumen race track and skid pan.
Australian Formula Jet Sprint Association (AFJSA)	Positive	AFJSA forms part of the Industry Reference Group and has been briefed on the project. They will continue to be engaged as the project develops.
Speedway Australia	Positive	Speedway Australia forms part of the Industry Reference Group and has been briefed on the project. They will continue to be engaged as the project develops.
<i>Education providers</i>		
Austlink	Positive	Austlink is part of the Industry Reference Group that has collaborated in the development of the business case. The organisation will continue to be regularly briefed and consulted on as part of the project.
Sunraysia TAFE	Positive	Sunraysia TAFE is part of the Industry Reference Group that has collaborated in the development of the business case. The organisation will continue to be regularly briefed and consulted on as part of the project
Northern Mallee Local Learning & Employment Network (NMLLEN)	Positive	NMLLEN is part of the Industry Reference Group that has collaborated in the development of the business case. The organisation will continue to be regularly briefed and consulted on as part of the project.
Mildura District Aboriginal Service (MDAS)	Positive	MDAS is part of the Industry Reference Group that has collaborated in the development of the business case. The organisation will continue to be regularly briefed and consulted on as part of the project.
<i>Other stakeholders</i>		
Business Advocacy Group	Positive	Will be engaged through the project planning and delivery process.
Mildura Regional Development	Positive	Mildura Regional Development is part of the Industry reference group that has collaborated in the development of the business case. The organisation will continue to be regularly briefed and consulted on as part of the project.
Local motor sport heroes	Positive	A group of local heroes form part of the Industry Reference Group and have collaborated in the development of the business case. They will continue to be regularly briefed and consulted on as part of the project.
Murray Regional Tourism Board (MRTB)	Positive	MRTB is part of the Industry Reference Group that has collaborated in the development of the business case. The organisation will continue to be regularly briefed and consulted on as part of the project

Stakeholder	Position on project	Engagement
Mildura community	Positive	Has been informed of the different aspects and scope of the project through initial engagement. Engagement. Further consultation, with the opportunity to feedback will occur on the Draft Business.
Victoria Police	Positive	Victoria Police is part of the Industry Reference Group that has collaborated in the development of the business case. The organisation will continue to be regularly briefed and consulted on as part of the project

To date, there has been extensive consultation on this project with all stakeholders. This high level of engagement will continue through the development and planning of the project. In particular, many stakeholders have contributed to the development of the design, staging and project options.

Involvement from the motor sport clubs will be critical. The motor sport clubs are very supportive of the project, and they have indicated their intention to move to the precinct in the future. Most are not looking to move immediately, however, because they have well-established sites with significant infrastructure and facilities. While the relocation of clubs to the precinct is not critical for its feasibility, it will assist in the attraction of events and in making the precinct more of a community facility with clubs having a stake in 'ownership'.

Another critical stakeholder group will be the motor sport peak bodies. The peak bodies will be able to assist with design, planning, event identification and growth, and other factors. To date, the key peak bodies (especially CAMS) are strongly supportive, based on the need it sees for a high quality venue of this nature in regional Australia (servicing other States beside Victoria).

Project management strategy

The project will be delivered and managed by a project manager and team from Mildura RCC in collaboration with key stakeholders.

Delivery arrangements for the project activities will be in accordance with Mildura RCC's project management framework and its practices and include:

- Program and time management
- Scope management
- Estimating and cost management
- Project delivery
- Environment management
- Risk management
- Procurement management
- Stakeholder management
- Finalising the project
- Safety management
- Project and program monitoring and reporting.

6.4 Delivery

Change management

There are no significant change management requirements within Mildura RCC to deliver the project benefits and to support the ongoing operations of the motor sport precinct.

Mildura RCC may consider employing an appropriately experienced project manager to manage the project to operational stage, should funding be provided.

Timelines and milestones

High level milestones and timing are outlined below.

Table 35 Key milestones and timing

Year	2019		2020				2021				2022	
	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Milestone												
Funding agreement with Government and others	■	■										
Detailed design and planning		■	■	■	■	■	■	■	■	■	■	■
Stakeholder consultation		■	■	■	■	■	■	■	■	■	■	■
Planning approvals			■	■	■	■	■	■	■	■	■	■
Native vegetation approvals				■	■	■	■	■	■	■	■	■
Early site works												
Construction						■	■	■	■	■	■	■
Fitout											■	■
Operator selected										■	■	■
Operations commence											■	■
Final acquittal to Government											■	■

Key approvals will include:

- Planning approval (from MRCC)
- Native Vegetation or Fauna – *Flora and Fauna Guarantee* (FFG) Act permits may be required
- Vegetation Removal – Planning permits under the relevant planning scheme will be required for the removal of native vegetation.

Performance measures

The preferred project option is expected to deliver the benefits identified in the assessment of benefits to be delivered (Section 2.1).

The benefits are:

- Improved health and wellbeing throughout the Mildura community
- Mildura attracts and retains a diverse and active population
- A more resilient, growing tourist industry.

The proposed project performance measures have been identified in the project Benefit Management Plan (Appendix B). The proposed Key Performance Indicators and measures are shown in the table below.

Table 36 Project performance measures

KPI	Measure	Baseline 2015-16	Target by 2022-23 if proposal is endorsed
Benefit 1: Improved health and wellbeing throughout the Mildura community			
Job quality	The number of new full time equivalent jobs created in Mildura	13,213 FTE	13,700 FTE
Participation in recreational activities by vulnerable communities	Total participation in motor sport clubs in MRCC	1,470 club members	2,000 club members
	Participation in motor sport clubs by youth (18-25 year old) in MRCC	425 members (est)	600 members
Benefit 2: Mildura attracts and retains a diverse and active population			
Job diversification	Growth in employment in tourism sector (Accommodation and food services)	1,574 people employed	1,800 people employed
Participation in recreational activities by diverse communities	Participation in motor sport clubs by diverse communities (unemployed and women) in MRCC	20% club members are women	30% club members are women
		2% are unemployed	3% are unemployed
Benefit 3: A more resilient, growing tourism industry			
Visitors to events	% of visitors who come to Mildura principally for events and festivals	10%	15%
Investment in tourism and recreation	Annual private investment in tourism businesses (\$)	\$2.42 million p.a. (5 year average)	\$3 million p.a.

Readiness and next steps

The motor sport precinct project is ready for progression to the next stage, that being pre-construction and procurement. The following activities outline the immediate next stage requirements:

- Additional detailed design work. This should also include consideration of water infrastructure (including water storage) that will be needed at the site
- Ongoing stakeholder consultations
- Approvals. These are expected to include:
 - Vegetation removal. A planning permit under the relevant planning scheme will be required for the removal of native vegetation
 - Planning Scheme Amendment. The site will need to gain planning approval through Council approval processes.

Signoff

The scope of this project has been approved by:

- Events and Projects Coordinator, Mildura Rural City Council
- Manager Development Services, Mildura Rural City Council.
- The executive leadership team at Mildura Rural City Council, comprising General Manager Development Services, General Manager Community, General Manager Corporate, and the Chief Executive Officer.

The detailed sign-off for this business case including the base cost estimates, risk assessment and risk provisions is included in Appendix I.

Exit strategy

Stage 1 of this project does not commit Government to any additional developments at the precinct site.

Appendix A

Investment Logic Map

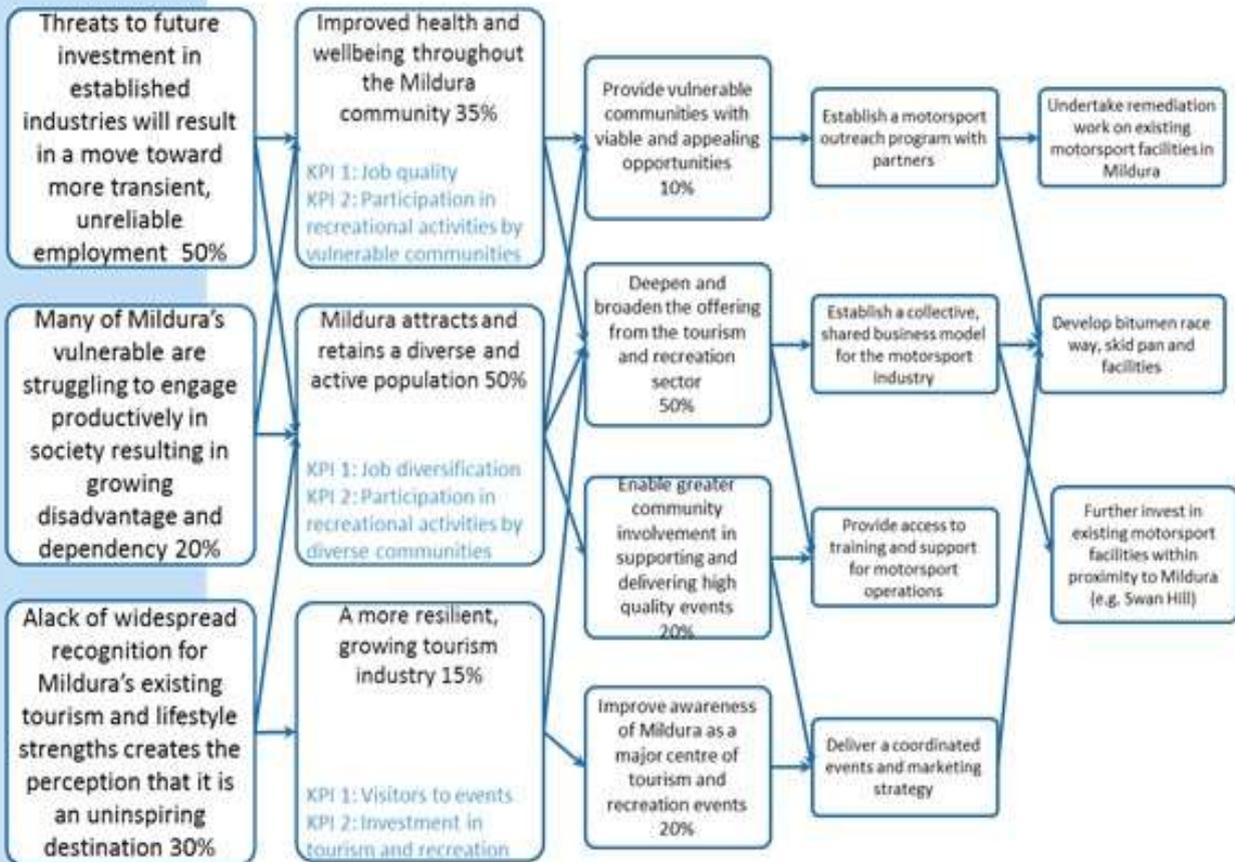
MILDURA RURAL CITY COUNCIL

Revitalising Mildura's Economy through Tourism and Recreation

Mildura Motorsports and Community Facility

INVESTMENT LOGIC MAP

Initiative



Investor: Glenn Milne
Facilitator: Jeremy Smart
Accredited Facilitator: Yes

Version no: 0.2
Initial Workshop: 06/05/2015
Last modified by: Jeremy Smart 15/05/2015
Template version: 5.0

Appendix B

Benefits Management Plan

Revitalising Mildura's Economy through Tourism and Recreation

Mildura Motorsports and Community Facility

BENEFIT MANAGEMENT PLAN

Part 2: Reporting and responsibilities

Benefit 1: Improved health and wellbeing throughout the Mildura community

KPI:	Job quality	
Measure	The number of new full time equivalent jobs created in Mildura	
	Baseline	13,213 full time employees (09/08/2011)
	Target	13,700 full time employees (01/07/2021)
	Interim target	n/a
	Source	Census data for Mildura, surveys from MRCC
Reporting	Forum	This data will be reported to MRCC and to the Minister for Regional Development
	Start date	Once the project is underway (01/07/2019)
	Frequency	Annually
	End date	One year post-project completion (01/07/2023)
Responsibility for reporting	Position	General Manager Community
	Organisation	Mildura Rural City Council

KPI:	Participation in recreational activities by vulnerable communities	
Measure 1:	Total participation in motor sport clubs in Mildura RCC	
	Baseline	1,470 (30/06/2015)
	Target	2,000 (31/12/2022)
	Interim target	n/a
	Source	Data from motor sport clubs based in MRCC (from a survey)
Measure 2:	Participation in motor sport clubs by youth (18-25 year old) in MRCC	
	Baseline	425 (29%) of all members (30/06/2015)
	Target	600 (30%) (01/07/2023)
	Interim target	n/a
	Source	Data from motor sport clubs based in MRCC (from a survey)
Reporting	Forum	This data will be reported to MRCC and to the Minister for Regional Development
	Start date	Once the project is underway (01/07/2019)
	Frequency	Annually
	End date	One year post-project completion (01/07/2023)
Responsibility for reporting	Position	General Manager Community
	Organisation	Mildura Rural City Council

Benefit 2: Mildura attracts and retains a diverse and active population

KPI:	Job diversification	
Measure	Measure	Growth in employment in tourism sector (Accommodation and food services)
	Baseline	1,574 (09/08/2011)
	Target	1,800 (01/07/2023)
	Interim target	n/a
Reporting	Source	Census data for Mildura plus MRCC surveys of local businesses
	Forum	This data will be reported to MRCC and to the Minister for Regional Development
	Start date	Once the project is underway (01/07/2019)
	Frequency	Annually
	End date	One year post-project completion (01/07/2023)
Responsibility for reporting	Position	General Manager Community
	Organisation	Mildura Rural City Council

KPI:	Participation in recreational activities by diverse communities	
Measure 1:	Measure 1:	Participation in motor sport clubs by diverse communities (unemployed and women) in Mildura RCC
	Baseline	20% of members are women, 2% are unemployed (30/06/2015)
	Target	30% are women, 3% are unemployed (01/07/2023)
	Interim target	n/a
Reporting	Source	Data from motor sport clubs based in MRCC (from a survey)
	Forum	This data will be reported to MRCC and to the Minister for Regional Development
	Start date	Once the project is underway (01/07/2019)
	Frequency	Annually
	End date	One year post-project completion (01/07/2023)
Responsibility for reporting	Position	General Manager Community
	Organisation	Mildura Rural City Council

Benefit 3: A more resilient, growing tourism industry

KPI:	Visitors to events	
Measure	% of visitors who come to Mildura principally for events and festivals	
	Baseline	10% (30/04/2015)
	Target	15% (01/07/2023)
	Interim target	n/a
	Source	Regular visitor surveys by Mildura Visitor Information Centre
Reporting	Forum	This data will be reported to MRCC and to the Minister for Regional Development
	Start date	Once the project is underway (01/07/2019)
	Frequency	Annually
	End date	One year post-project completion (01/07/2023)
Responsibility for reporting	Position	General Manager Community
	Organisation	Mildura Rural City Council

KPI:	Investment in tourism and recreation	
Measure 1:	Annual investment in tourism and recreation	
	Baseline	\$2.42 million (30/06/2015)
	Target	\$3 million (01/07/2023)
	Interim target	n/a
	Source	Data from MRCC
Reporting	Forum	This data will be reported to MRCC and to the Minister for Regional Development
	Start date	Once the project is underway (01/07/2019)
	Frequency	Annually
	End date	One year post-project completion (01/07/2023)
Responsibility for reporting	Position	General Manager Community
	Organisation	Mildura Rural City Council

Responsibility for delivering the benefits	General Manager Community	04/05/2018
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Appendix C

Investment Concept Brief

Revitalising Mildura's Economy through Tourism and Recreation

Mildura Motorsports and Community Facility

INVESTMENT CONCEPT BRIEF

Context	<p>What is the compelling reason this investment should be considered further? This project will address a range of problems facing Mildura, by enhancing employment, tourism, amenity, and social capital.</p>		
Cost	<p>What are the likely costs of this investment? Remediation of construction of facilities All other work Investment Total Operational costs if significant Operational costs</p>	<p>Cost (range) \$12-60m Approx \$2m \$17-62m Included above</p>	
Time	<p>What are the expected timeframes for the key deliverables? Works commence Facilities open First major event</p>	<p>Time from funding 12 months 24-36 months 24-36 months</p>	
Risks	<p>What are the primary risks to the success of this investment delivering the benefits? H: High Vulnerable communities are not interested M: Medium Failure to address the structural challenges facing clubs L: Low Failure to generate a critical mass of interested community participants Failure to get cut through on marketing messages</p>	<p>Likelihood M L L L</p>	<p>Criticality L H H H</p>
Dis-benefits	<p>What negative impacts are likely to occur by successfully implementing this solution? H: High Environmental damage M: Medium Discontented residents who feel they received no benefit L: Low</p>	<p>Likelihood H H</p>	<p>Impact L L</p>
Critical Dependencies	<p>What external conditions are critical to the success of this investment? None</p>		
Policy Alignment	<p>What is the primary policy to which this investment will contribute? Regional Tourism Plan</p>		
Investor	<p>Who is the senior person who will ultimately be responsible for delivering the identified benefits? Chief Executive Officer, MRCC Signature dd/mm/yyyy</p>		

Appendix D

Stakeholder consultation list

Leigh Adams
World speedway champ

General Manager Development
Mildura Rural City Council

President and Committee
Sunraysia Motor sports Club

Economic Development Coordinator (Now Events & Projects Coordinator)
Mildura Rural City Council

President and committee
Mildura Speedway Drivers Club (Timmis Speedway)

Ron Broadhead
Northern Mallee Local Learning and Employment Network

President and Committee
Mildura Kart Club

Shane Collins
Speedway Australia

CEO and Board
Mildura Development Corporation (Now Mildura Regional Development)

Peter Freckleton
Mildura Melton V8 Jetboats

Acting CEO
Motorcycling Australia

Gordon Jennings and Jan Phillips
Mallee Community Skills Development Centre Inc. / Aust-Link Pty Ltd

Bruce Keys
Confederation of Australian Motor sports (CAMS)

President and Committee
North West Victorian Motorcycle Club

President and committee Sunraysia
Drag Racing Association

Manager Development Services
Mildura Rural City Council

Cr Glenn Milne
Mayor, Mildura Rural City Council

Darren Morgan
Top fuel winner

Phillip Pongraz
Dirtworx Moto Park

President and Committee
Mildura Motorcycle Club

Terry Sparrow
SuniTafe

Brett Stevens
Australian National Drag Racing Association

Ted Sygidus
Australian Formula Jet Sprint Association

Geoff Thompson
Mildura Ski Boat Club
CEO and Board
Mildura Tourism (Now Mildura Regional Development)

John Nolan
Victoria Police

Ada Pederson
Mildura District Aboriginal Service (MDAS)

Jarrold Waters
Car race driver

Chris Waters
V8 Supercar sponsor and father of V8 driver Cameron Waters

Mark Francis
Murray Regional Tourism Board

Phil Matthews
Matthews and Associates

Jamie Marciano
JADS Driving School Mildura

Andrew Broad
Federal Member for Mallee

Peter Crisp
Member for Mildura

Anthony Kosh
Mildura car race driver

Josh Waters
Australian superbike champion

Brodie Waters
Motorcycle Speedway

Ken Marriott
HM Leisure Planning Services

Christine Allen
Sunraysia Dirt Karters

John Hederics
Australian Off Road Safari Champion

Simon Harrington
Local restaurant owner

Committee
Koorlong Public Hall Committee

Scott Raulstone
Dirt kart racer Australian Independent Dirt Kart Association (AIDKA)

Julie Waters
Motorcycling Australia committee

Councillors
Mildura Rural City Council

CEO
Swan Hill Shire Council

Appendix E

Details on project option features

Feature	Description and rationale
Base facilities	These are required for a facility built around the proposed bitumen racing circuit.
Administrative building (Office & basic club facilities)	<p>The project envisages an office and facility space adjacent to the track facilities. The purpose would be to provide space for toilets, storage, catering and (potentially) club administrative space.</p> <p>The minimum structure is assumed to have a ground floor space of 300m², with the flexibility to provide offices, meeting rooms, training areas and a small social / function space which could cater for up to 40 to 50 people initially. A one floor development would be designed to be able to provide additional stories and/or other extensions over time. These extensions would enable expanded function space to be provided to cater for up to 200 people and facilitate the growth in corporate opportunities; events and commercial drive days.</p> <p>Potential to provide site medical and press facilities for events and temporary housing of event management body.</p> <p>This has been costed on the basis of a 300 m² facility.</p>
Maintenance shed / Washdown area	<p>This component would comprise a basic maintenance shed structure which can be secured and have an accompanying washdown area (bitumen or equivalent). It would be used to maintain, repair and clean motor vehicles on site.</p> <p>The combined area of the shed and washdown area is assumed to be 350m². (250m² shed with 100m² contained hardstand, and it has been costed on this basis.</p>
Function suite	<p>The function suite (included in Project Options 3 and 4 only) would provide additional opportunities for visitation/demand and revenue raising. It would be a high quality asset, situated within site of the main raceway, to be used for a range of functions, events and catering.</p> <p>Potential uses could include:</p> <ul style="list-style-type: none"> • Business events and conferences • Community events • High quality catering during motor sport events. <p>The minimum area suggested for the function centre is 300m², which would be sufficient to cater for 150-200 guests. This potentially would be located as a first floor development of the office and administrative building referenced above (first floor built off a slab). As an interim measure these facilities may be provided in options 1 and 2 through the installation of temporary marquee's adjacent to the administrative building.</p> <p>This has been costed on the basis of a 300 m² facility.</p>
Motor sport parking	<p>This refers to a sealed (bitumen hard stand) area that can be used for either parking for 300 cars, car handling/training or for Heavy Goods Vehicles (HGVs) driver training / manoeuvring. A bitumen surface offers greater potential for income generation when not in use for events.</p> <p>A gravel surface provides limited opportunities in all conditions. We would however anticipate that additional parking spaces (gravel surface) would also be provided within the precinct and this could be combined with the bitumen surface for extended off-road training purposes.</p> <p>Bitumen surface (assumed size of Eastern Creek internal driver training. Corporate vehicle display and parking area) is assumed to be 9,500m². This is based on assumption of one parking bay per 30m² (includes circulation and trailer space equalised over the whole area).</p> <p>This has been costed on the basis of a 9,500m² area.</p>

Feature	Description and rationale
Enhanced drag racing pit provision and marshalling area	<p>Currently, there is a drag racing pit and marshalling area at the H Block site.</p> <p>The existing facility would be upgraded so to include a vehicle washdown facility and provide petrol interceptor points to minimise any ground contamination. This would enhance the competitor infrastructure and reduce adverse environmental impacts.</p> <p>Existing pit area will need to be reconfigured (as per the Perth Motorplex, Eastern Creek and Willowbank). Vehicle washdown will be concrete area draining to central sump (assume overall size of 40m²).</p> <p>This has been costed on the basis of a 40m² facility.</p>
Secure storage / fuel facility	<p>The purpose of this facility is to contain relevant site specific mobile infrastructure and to provide a contained area for fuel to ensure any fuel spills are contained. It avoids excessive fuel transfer on site and facilitates/additional income generation from a variety of driver training / events / teams / corporate drive days operated by third parties.</p> <p>The design will be similar to a garage (forecourt areas) for large racetracks or a small secure compound for smaller race circuits (concrete hardstanding with fuel storage unit placed on surface).</p> <p>This has been costed on the basis of a 200 m² facility.</p>
Space for temporary stands	<p>Many motor sport facilities rely on using temporary stands for spectator seating during major events. The use of temporary stands needs to be factored into track design, through the use of banked areas (flat enough to take stands) and appropriate fencing. In this instance, temporary stands could be placed on banked areas along the straights and close to fenced corners.</p> <p>The space for temporary stands requires a small covered spectator areas / limestone terracing for between 500-1,000 spectators. Grass banking will provide additional capability.</p> <p>This has been costed on the basis of a space for temporary stands holding 1,000 people.</p>
Bitumen racing circuit	<p>All options allow for a bitumen racing circuit. A high quality racing circuit is typically between 1.5 and 6.0 kilometres in length. Given the size of the site, costing has been done on the basis of a 3 kilometre track which is 12 metres in width. The masterplan allows for an ultimate expansion of the racetrack to up to 4 kilometres in length, which is intended to 'future proof' the site. This reflects advice from CAMS and Motorcycling Australia and others that sufficient space should be allowed to enable expansion in the future, as standard track lengths may increase over time.</p> <p>The basis for the circuit has been determined based on the CAMS formulae. These are outlined below.</p> <p><u>Size based on CAMS Track Density Coefficient:</u></p> <p>Track Density for races and for other activities at race circuits in Australia is based on the determination of a "base" number, which is then modified by the application of coefficients for various purposes.</p> <p>The maximum base number (N) is calculated using the following formula:</p> <ul style="list-style-type: none"> - $N = 0.36 \times L \times W \times T$ (N to be rounded up to the next whole number which is divisible by 2) - L= a coefficient depending on the length of the circuit (3.2km x 3.8km = 12) - W= a coefficient depending on the minimum width of the circuit (say

Feature	Description and rationale
	<p>minimum width of 8m = 9)</p> <ul style="list-style-type: none"> - T= a coefficient depending on the duration of the race in hours (up to 1 = 1.0). <p>To determine the Track Density for individual groupings the base number N is then multiplied by a further coefficient (G) depending on the group(s) of cars competing in the race, or other activity.</p> <p>Coefficient G – (Grouping of Vehicle – say Group 3 = 1.0). For Trucks = Maximum of 20 on any circuit</p> <p>N = 0.36 x 12 x 9 x 1.0 = 38.</p>
Camping area with ancillary facilities	<p>A camping area is important for use by participants, their support crews and spectators. In particular, a camping area allows:</p> <ul style="list-style-type: none"> • Participants and crews to remain close to their vehicles • A cost effective form of accommodation. During the consultation phase, participants noted that a weekend of racing could cost over \$2,000 per vehicle, including petrol, participation fees, pit crew and other direct costs. Participants are therefore keen to reduce ancillary costs such as accommodation, in the interests of affordability. <p>A camping area of 800m² has been costed.</p>
Pits area	<p>The pits area is located next to the race track. This facility has been costed on the basis of a total pits area of 800m².</p>
Control towers	<p>A control tower would generally be required adjacent to the start / finish line of the bitumen surface raised 4-6 metres for officials and PA with stair access (12-20m²). Similar control towers will be required at all circuits to ensure appropriate infrastructure is available for officials and race control / announcements. To be linked to an integrated site PA system.</p> <p><i>This facility has been costed on the basis of a control tower that has an area of 20m² and is 6 metres high.</i></p>
Lighting	<p>Floodlighting to circuits will be determined based on Peak Body minimum standard for club based activities and (where appropriate) television coverage requirements. It will also be essential from the outset to ensure that the site will be able to accommodate sufficient power outlets to support club event use and potential outside broadcast demands (based on free Television Australia Operational Practice Guide (Jan 2015)).</p> <p>Additional lighting will be provided for spectator areas, parking and pits at a basic minimum level for all development options.</p>
Skid pan track	<p>A skid pan area of 45m x 100m (tarmac / bitumen) used mainly to run Skid Prevention & Control Courses. It is also available for general manoeuvring practice. The area can either be specially marked to represent various road features such as bends, junctions etc. or be used generically through the use of temporary hazards.</p> <p><i>This facility has been costed on the basis of a 45 metre by 100 metre skid pan, with a bitumen surface.</i></p>
Garages (storage of motor vehicles etc.)	<p>40 garages for the purpose of housing / storage and working on vehicles – a mixture of approximately 20m² to 40m² units with gated access and hard standing areas adjacent. A potential income generator which could be expanded depending on the need / demand for units. Only to be developed when there is permanent security on site. These are planned to be located within the Destination Zone of the development plan.</p>

Feature	Description and rationale
	<p>This facility has been costed on 40 garages, of which:</p> <ul style="list-style-type: none"> • 20 are 20m² in area • 20 are 40m² in area.
Workshops (commercial lets for service industry)	<p>Various sizes of workshops to be used of a similar size to the garages (referenced above) and as an extension to the garaging area. Commercial lets (8-10 in number) provide the opportunity to expand associated services on site for driver training, events, vehicle maintenance and repair. Units to be flexible space for start-up and small commercial operations.</p> <p>This facility has been costed on the basis of 10 commercial lets, incorporating general incubation units (all services – power, water, concrete floor, insulation). General industrial specifications for facilities of this type is an area 60m² to 100m², with a height of 3.5 metres.</p>
Product launch area	<p>This facility would be located in the Destination Zone of the development plan to display cars and provide opportunities to test drive. Will require the capability to provide temporary marquees and supporting infrastructure as required by manufacturers. Area dedicated to product launch is approximately 400m².</p> <p>This facility has been costed on the basis of a 400 m² bitumen area that can also be used as a car park and other facilities.</p>
Extended administration / conference rooms	<p>An additional 400m² (700m² in total). This component represents an extension to administrative and conference/catering facilities. It would enable:</p> <ul style="list-style-type: none"> • More motor sport clubs to relocate to the site • For larger events or multiple events to be held concurrently at the facility.
Jet boat water course	<p>The length of the jet boat water course has been advised by the jet boat sector, which has advised that a minimum of 800 metres in length for a course is needed for events. Ideally, a longer course of 1 kilometre in length if preferred. This component is therefore assumed to be 1 kilometre long. Other specifications for jet boat water course include the following:</p> <ul style="list-style-type: none"> • Earthworks mainly – the material taken out is used for spectator mounds • Control tower • Safety sensors • Pit pools / launch pools – all track and ancillary infrastructure to fit into a couple of acres. Pit pool would be 20m x 8m and concrete launch ramp of 6 lanes by 20 metres long • All water to be knee deep with water channels of 5.5 metres width (specification provided by Mildura Jet Ski Club) • Safety fences required around circuit • Toilets, grandstand and catering can all be shared • Floodlighting (placed internally to bends and along straights to create even lighting throughout).
4WD training course	<p>An area of land has been allocated for potential use for a 4WD training course on the west side of Block H next to the site proposed for Mildura motorcycle Club (MS). This is to provide opportunities for 4WD driver experience and varying levels of vehicle control (novice to advanced driver). The length of training course and areas can be subdivided to cater for a variety of educational and event use. It is anticipated that the facility will need to cater for business, military and club activity to maximise use. Currently, the length of the track is yet to be decided, and this will depend on the requirements of user groups.</p>

Feature	Description and rationale
Karting track	<p>Karting Australia requires a track of a minimum of 750 metres in length for National Sprint Championships. Similarly, the Commission Internationale de Karting (CIK) – FIA requires a minimum circuit length of 800 metres for CIK-FIA Championships, trophies and cups. With this in mind, a track of 1 kilometre in length is recommended, to enable hosting of national and international level events in the future.</p> <p>It is however recognised that recent changes to the rules and regulations governing karting in Australia has meant that the ability to attract events to regional areas meeting those national standards is unlikely to occur in the short to medium term as the sport restructures. Whilst 1km is proposed, sufficient flexibility should be built into the site to permit alternative racing circuit options to facilitate a variety of kart racing events. This may mean a staged development of the circuit.</p> <p>The specifications for the proposed karting track are as follows:</p> <ul style="list-style-type: none"> • A track that is 1 km long and 7 metres wide: • All new tracks are to have a minimum distance of 80m from the start line to the start of the first corner and be a minimum length of 130m • The recommended maximum longitudinal gradient will be 5% and recommended maximum transverse gradient will be 10% • The surface of tracks will be sealed with asphaltic concrete • Safety barriers and catch traps must be installed to prevent karts crossing in any area where two sections of track are close to each other and/or there is a possibility that karts may cross. The distance to a fence or barrier will be ten (10) metres • Tyre barriers are constructed four tyres high. Safety barriers must be separated by a minimum of 300mm from any solid object • Catch traps will consist of a bed of woodchips a minimum of 2 metres wide by a minimum of 300mm high at the leading edge. A bed of gravel a minimum of two metres wide by 250mm deep set down 150mm into the existing surface level so as to produce a 100mm high leading edge • Grid lighting and track lighting (38 Lux) • Tracks will have emergency lighting. The emergency lighting will have an alternate source of power supply to that which powers the main track lighting • Paddock (pit) area - a minimum width of 4 metres. The paddock must be of sufficient area to cater for the maximum number of karts likely to attend a race meeting (40 in this instance) • Weigh In Area - The surface is to be bitumen sealed or concrete and to be of sufficient area to accommodate the maximum grid capacity. (allow 4.0 m² per kart) Access to the weigh in area will be by way of a deceleration lane. The sealed width of the deceleration lane must be a minimum of 1.5 m and a maximum of 2.5 m with an overall clear width of 3.0 m • Clear access for an ambulance and suitable areas set aside for first aid facilities • Enclosed facility for conducting Stewards hearings (a covered, open air area of 2.4m x 3.6m) • Control towers be adequately covered, closed and ventilated with access via a permanent stairway • Enclosed Technical Inspection area - Enclosed and covered facilities with adequate lighting and suitable benches are to be provided for Engine Measuring and Fuel Testing. Specifications are for a 12m² concrete pad with shade above • Toilet and canteen facilities (100m² area).

Feature	Description and rationale
Dirt kart circuit	<p>An area for a dirt kart circuit has been proposed on the development plan. It is proposed to be 660 metres in length, based on the optimum facility design desired by the club and would include uneven surface and a chicane. Similar width to motorcycle and car speedway on straights and bends. The main differential is the difficulty of surface material which can be bevelled and more challenging.</p> <ul style="list-style-type: none"> • Width of 8m throughout with corners to be made wider. Bordered by a loose catch trap and safety barriers (car tyres can be used to a minimum height of 600mm) assume that these will be set at least 5 metres from the track • Out-grid to cater for 2 grids of 20 karts each • Toilet and canteen facilities • Designated area for an ambulance to access the track and suitable areas set aside for treatment of injuries onsite. This is a requirement of the peak body for the sport (generally just a vehicle parking area and space for temporary structure) • Designated area for parking and storage of track maintenance equipment and vehicles outside race arena and spectator area during racing (40m²area) • One control tower with two rooms. One room for lap scoring and transponders, one room for Stewarding and driver/crew reprimanding (area of 8m²) • Grid lighting and track lighting (no less than 38Lux). • Terracing for up to 500 spectators with adjacent grass banking.
Speedway track (Car)	<p>Mildura Speedway Club has proposed that they would move to the motor sport precinct in approximately 12 years at the end of their current lease. The club has proposed that they would require an area of land approximately 10 hectares.</p> <p>Track length would be approximately 600 metres – purpose built for cars. Approx. 12m width straights by 17m cambered wide bends, floodlighting, PA, tower, concrete safety wall, pits and safety wall with fencing above to Peak Body specification.</p> <p>Other specifications include:</p> <ul style="list-style-type: none"> • Medical and press facilities (can be combined with central club house building serving the bike speedway and dirt track oval). • Terracing for up to 1,000 spectators together with adjoining raised grass banking • PA and floodlighting system providing an even lighting system across the oval track • Electrical spring loaded starting tape system and warning system around the circuit • Water supply / storage (distributed on track through water bowser) • Raised officials box / control tower (16m²) adjacent to starting grid • Toilet block and offices for administration and officials.

Feature	Description and rationale
Speedway track (bike)	<p>Members of Mildura Motorcycle Club will determine track layout and final facilities at the site when the club moves to Block H in the long term. Track design will be based on standards set for national or international speedway at the time.</p> <p>Typically, speedway tracks for bikes can range from 240m to 500m with the majority of tracks being between 350 and 450m in length. Bends are cambered to 10% with straights level or no more than 5% incline. Safety fencing on straight and bends (with airbags now common on most tracks (similar to those recently installed at Olympic Park). The minimum track width of 10m (ideally 12m) and bends 14m (ideally 17-20m).</p> <p>In addition to the track, the proposed facility would include:</p> <ul style="list-style-type: none"> • A pit area for motorcycles (40 competitors – preferably under shade on concrete / bitumen hardstanding) as well as medical and press facilities (can be combined with central club house building Dimensions • Terracing for up to 1,000 spectators together with adjoining raised grass banking • PA and floodlighting system providing an even lighting system across the oval track • Electrical spring loaded starting tape system and warning system around the circuit • Water supply / storage (distributed on track through water bowser) • Raised officials box / control tower (16 m²) adjacent to starting grid • Toilet facilities – assume capacity of 20 • Offices for administration / officials – assume 100m².
Other dirt motor sports	<p>An area of land has been allocated at the end of the site of the Mildura Motorcycle Club on the development plan for dirt based motor sport that may want to be located at Block H in the future. This area of land could be used for a 4WD track, motocross or other dirt based motor sport.</p>



Confidential

Appendix F

Detailed cost estimates

Confidential Appendix G

Financial and economic modelling assumptions

Appendix H

Financial data presentation

Funding history

No funding has previously been provided for this initiative.

Existing funding base

There is no existing funding base for this initiative.

Budget impact

	2017-18	2018-19	2019-20	2020-21	2021-22	TEI
	\$m	\$m	\$m	\$m	\$m	\$m
Capital funding		21.783				21.783
Estimated asset investment cash flow						
Sub total (gross asset price increase)	0.000	0.000	0.000	0.000	0.000	21.783
Funds from other sources (e.g. asset sale proceeds, Commonwealth funding, trust accounts) – please specify	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
Net Impact on capital appropriation	0.000	21.783	0.000	0.000	0.000	21.783

This initiative will have no impact on output funding.

Revenue

This initiative will have no impact on revenue.

Appendix I

Stakeholder letters of support

19 October 2016

Mr. Gerard Jose
Chief Executive Officer
Mildura Rural City Council
108-116 Madden Avenue
Mildura, Victoria 3500

Dear Mr. Jose

CAMS SUPPORT FOR THE MILDURA MOTORSPORTS AND COMMUNITY PRECINCT FULL BUSINESS CASE AND STAGED DEVELOPMENT PLAN

As the National Sporting Organisation recognised by the Federal Government and the FIA's delegated body for the governance of motor sport in Australia, the Confederation of Australian Motor Sport (CAMS) unequivocally supports the development of the Mildura Motor Sport Precinct business case.

We believe the facility will create significant benefits not only from a motorsport point of view but also for the local community in the form of:

- Economic benefits brought about through design, construction, ongoing management and patronage of the venue;
- Attract significant tourism to the region from people who attend, compete and officiate at the venue;
- Build community capacity through provision of training and development programs at the venue (i.e. driver training);
- Increasing participation in motor sport activities generally.

CAMS can see the many opportunities for events to be held at the proposed race track and skid pan if it is developed. These include;

- Motorkhana and Khanacross;
- Driver Training - pre-road licence, road and advanced skills;
- Drifting;
- Supersprint, from club level to National Championship;
- Track days/Private practice/Testing/Sponsor Ride Days;
- Motor racing, from club level to National Championship Series (including Shannons Nationals and Supercar Development Series events, should the off track facilities be appropriate);
- Industry media use (commercial filming);
- Industry new model releases.

In addition, the development of an overall motorsport precinct, which includes several motor sport disciplines, will provide the locals and visitor with additional opportunities to support motor sport from a participation and economy point of view.

CONFEDERATION OF AUSTRALIAN MOTOR SPORT

MEMBER OF



We understand the facility will also cater for major events and significant functions outside the traditional scope of motor sport.

In support of the project, CAMS has invested \$40,000 with in-kind support for the development of this business case. This in-kind contribution has included;

- Leading the design of the track and facilities in conjunction with Motorcycling Australia;
- Assistance and advice relating to facility design and safety standards;
- Provision of a senior manager as a representative on the Motorsport Industry Reference Group for this business case;
- Promotion of the facility to over 560 CAMS affiliated car clubs and accredited categories of motor sport to encourage use of the venue.

In the future, if the proposed race track can be completed, CAMS will also look to assist with;

- Training of facility staff and local volunteer / motor sport groups in event organisation /operations, safety and accreditation as CAMS licenced officials;
- Conduct CAMS development programs at the venue to encourage participation in motor sport, including Come and Try Days and events specifically targeted at women and girls.

We reiterate that CAMS fully supports the development of this motorsport precinct business case in Mildura.

Importantly, the consultation we have done as part of the business case indicates that development of the facility would not simply host existing events relocated from other venues, it would provide a platform for new and expanded events at all levels, resulting in an overall increase in participation and activity.

Development of new motor sport facilities is a key pillar in CAMS 2014 – 2016 strategic plan. We acknowledge there is a significant need for this development and therefore we fully support it.

Please contact me if you require any more information or if we can be of assistance in any way.

Yours sincerely,



Eugene Arocca
Chief Executive Officer
Confederation of Australian Motor Sport



Gerard Jose
Chief Executive Officer
Mildura Rural City Council
108-116 Madden Avenue
Mildura
Victoria 3500

25 October, 2016

Dear Mr. Jose

MOTORCYCLING AUSTRALIA FULL SUPPORT FOR THE MILDURA MOTORSPORTS AND COMMUNITY PRECINCT FINAL BUSINESS CASE AND STAGED DEVELOPMENT PLAN

Motorcycling Australia would like to acknowledge its full and qualified support for the Mildura Motorsport and Community Precinct Business Case. We feel this motorsport precinct has the potential to benefit the whole of the Mildura Motorsport Industry, as well as provide many opportunities to the Mildura region.

Motorcycling Australia is the governing body of motorcycle sport in Australia and the recognized affiliate of the world body, Federation of International Motocyclisme (FIM) Our core business is to promote all facets of motorcycle activity and develop and apply the rules and regulations of the sport. We are also responsible for all Australian Championships and Series.

If the proposed race track and skid pan facility as part of the staged development plan can be developed there is an opportunity for many motorcycle events to be held at the site. These include;

Club & inter club competition
State championship events
Australian Championship events
Historic events
Selected International events
Rider training & coaching
Recreational ride days.

The development of a new race track and skid pan provides more opportunities for our competitors to compete and the location of a track in regional north west Victoria would be an excellent location for a motorsport precinct.

In addition to the proposed race track and skid pan, the proposal of a motorsport precinct with a number of different motorsports, of which our association governs some of these, will further build the image of motorsport in the Mildura area and develop additional opportunities for participation and spectators in motorsport. A fully fledged motorsport precinct would be an exciting facility to visit for motorsport lovers.

In addition, the development of the motorsport precinct would provide a significant economic injection into the Mildura economy, not just in the short term in its development but the long term as well.

Motorcycling Australia is extremely supportive of this business case and has provided significant in-kind support in its development including;

- Assistance with design of the race track, skidpan and facilities in conjunction with CAMS
- Provision of information and assistance relating to uses of the race track and facilities required

**Ride. Race.
Enjoy.**

ABN 83 057 830 083

Suite 125 / 9 Hall
St
Port Melbourne
Victoria 3207
Australia

P O. Box 134
South Melbourne
Victoria 3025

Tel: (03) 9684 0500
E: mail@ma.org.au
www.ma.org.au

International
Tel: +61 3 9684 0500

The national body of
motorcycle sport in
Australia affiliated to the
Federation Internationale de
Motocyclisme [F.I.M]



Supported by





Motorcycling Australia can see the great potential, a motorsport facility like this could provide in the Mildura area and is keen to see this motorsport precinct developed. We look forward to further opportunities to support its development in the future. If you require any further information in relation to our support for this project, please contact Peter Doyle, Chief Executive Officer on 03 9684 0510.

Yours sincerely

**Ride. Race.
Enjoy.**

ABN 83 057 830 083

Suite 125 / 9 Hall
St
Port Melbourne
Victoria 3207
Australia

P O. Box 134
South Melbourne
Victoria 3025

Tel: (03) 9684 0500
E: mail@ma.org.au
www.ma.org.au

International
Tel: +61 3 9684 0500

The national body of
motorcycle sport in
Australia affiliated to the
Federation Internationale de
Motocyclisme [F.I.M]



Supported by



Australian Government
Australian Sports Commission



8th August 2016

Gerard Jose
Chief Executive Officer
Mildura Rural City Council
108-116 Madden Avenue
Mildura
Victoria 3500

Dear Mr. Jose

Mildura Head Office
Karkaroc Industrial Skills Centre,
Airport Precinct,
3325 Walnut Avenue
Mildura, Vic, 3500

PO Box 4012
Mildura, Vic, 3502

Phone: 03 5023 8581
Fax: 03 5023 8701

Bendigo Office
1st Floor
43 Williamson Street
Bendigo, Vic, 3550

Phone: 03 5442 7011
Fax: 03 5442 8211

Email: austlink@aust-link.com.au
Web: www.austlink.vic.edu.au

AUSTLINK PTY LTD SUPPORT FOR THE MILDURA MOTORSPORTS PRECINCT FINAL BUSINESS CASE AND STAGED DEVELOPMENT PLAN

Austlink Pty Ltd wishes to express its support for the Mildura Motorsport Precinct Business Case and staged development plan.

Aust-Link Pty Ltd aspires to be acknowledged nationally as an enriching Training Provider of Excellence in Vocational Education & Training. As pioneers and experts we are recognised for being creative in training originality and resourceful in establishing networks & national training partnerships.

In the eighteen years that Aust-Link Pty Ltd has been a Registered Training Organisation we have earned the reputation of being one of regional Victoria's leading Private Training Organisations. It is with this in mind that Austlink feels that they have a strong link with the Mildura Motorsports Precinct Business Case and staged development plan.

The Victorian State Government has recently released their "Towards Zero 2016-2020 Road Safety Strategy" with key funding opportunities being:

- \$80 million to establish the world's first dedicated Road Safety Education Complex.
- \$146 million to implement the Governments Young Driver Safety Package commitments.
- \$26.59 million on a range of vehicle, behavioural and research development measures to improve road user safety.
- \$24 million for starting our safety programs for pre-schoolers and Fit to Drive workshops for Year 11 students.
- Mandatory training for motorcyclists.

Austlink Pty Ltd are currently delivering many or most of the programs stipulated in this strategy across three States (South Australia, Victoria, New South Wales). It is due to this tri-state location, 2 million population catchment area and proven record of quality programs; results and experience in driver



and safety programs that Austlink feel they are best placed to bid for the Victorian Government \$80 million to establish the first dedicated Road Safety Education Complex.

Mildura Head Office
Industrial Skills Centre,
Airport Precinct,
3325 Walnut Avenue
Mildura, Vic, 3500

This motorsport precinct has the potential to benefit the future sustainability and development for The Mildura Motorsports Industry, businesses and the community.

PO Box 4012
Mildura, Vic, 3502
Phone: 03 5023 8581
Fax: 03 5023 8701

Austlink Pty Ltd have a strategic plan to move to the Mildura Motorsport Precinct (Block H) in 18 years at the completion of current lease or preferably earlier if funding can be committed. The organisation would look to replicate and improve its current facility, requiring 6.5 hectares in the staged development plan for the precinct.

Bendigo Office
1st Floor
43 Williamson Street
Bendigo, Vic, 3550

Phone: 03 5442 7011
Fax: 03 5442 8211
Email: enquiries@aust-link.com.au

Web: www.austlink.vic.edu.au

Austlink estimates it currently generates \$1.6 Million economic benefit to the Mildura economy each year and feels this may be able to grow to over \$2 Million by moving to the new motorsport precinct.

Aust-Link have since 2012 enrolled over 6000 students in a variety of industries including Transport, Warehousing, Civil Construction, Forklift, various Earth Moving Machinery and Schools programs (per yr.) Defensive Driving.

These students come from not only Victoria but N.S.W, SA, Qld and Tasmania. Aust-Link has a 7% Indigenous student enrolment. Aust-Link envisions there will be a steady increase in Pre-employment programs for the Harvest Casual Labour workforce this initiative has the strong support of the Winery, Bottlers, Almond, Grain and Olive industries.

Aust-Link has a five year growth Business Plan which includes the development of a program to suit seasonal workers to gain 12 months employment by moving through the various harvesting industry sectors as stated above. This program will be a first ever program to support the Mildura region.

Austlink is looking forward to being a part of this project moving forward. Should you require any further information in relation to our support for this project, please contact Ms. Jan Phillips Director 03 50238581

Yours sincerely



8 August 2016

Gerard Jose
Chief Executive Officer
Mildura Rural City Council
108-116 Madden Avenue
Mildura
Victoria 3500

Dear Mr. Jose

**THE AUSTRALIAN FORMULA JET SPRINT ASSOCIATION SUPPORT
FOR THE MILDURA MOTORSPORTS PRECINCT FINAL BUSINESS CASE
AND STAGED DEVELOPMENT PLAN**

As the National Association for Jet Sprint Racing in Australia, we would like to pass on our strong support for the development of the Mildura Motor Sport Precinct and Business Case.

Jet Sprint racing in Mildura traditionally held large events with great spectator and participant numbers when a track was located previously in Mildura. The opportunity for a jet sprint track to form part of the motorsport precinct would add another dimension to the motorsport offering.

The Association is committed to support the development of the Mildura Motor Sports Precinct. Discussions with Peter Freckleton from Mildura Melton V8 Jetboats have been held to consider how our Association can support Peter in development of a jet sprint track at the precinct. We will look to assist Peter in anyway possible for this to go ahead, but not financially.

Mildura has always held strong support for jet sprint racing in the past, with large crowds attending many state and national meetings that were held previously. Our association can see the great opportunities that may arise with not only having a jet boat course in Mildura but also the facility being part of the proposed motorsport precinct. This inturn could provide opportunities for spectators of other motor sports to consider coming to jet sprint events at the same facility.

We envisage the opportunity to hold both state and possibly national events at the facility in the future if the precinct can go ahead. There is the opportunity to hold up to 3 events, per annum.

The AFJSA has been involved in the sport for over 25 years, we currently have 4 tracks with the latest new track in Keith SA. Extra tracks are always a great addition to the calendar, so we would like to see Mildura come back on board. The Association manages upto 14 rounds, this includes upto 8 Australian Championship rounds per year and 1 World Series every 2 years.

The Australian Jet Sprint Association is very keen to see this motorsport precinct developed with a jet sprint track located as part of the staged development plan. We will look to assist Peter Freckleton and those involved with the project to move forward. Should you require any further information in relation to our support for this project, please contact Ted Sygidus 0410600137

Yours sincerely

Ted Sygidus



AFJSA President

14 December 2016

Mr. Gerard Jose
Chief Executive Officer
Mildura Rural City Council
108-116 Madden Avenue
Mildura 3500

Dear Mr Jose

I would like to add my personal letter of support for the Mildura Motorsports and Community Precinct Business Case.

Having 3 boys who race domestically and internationally I have firsthand witnessed the benefits financially that a complex of this nature would bring to your region and community.

Being able to personally provide all the relevant information to Councillor Glen Milne back in 2008/2009, and asking if the Council would look into a complex of this nature back then, was putting a positive financial gain for our community as a whole. This was not just for the participants who would travel to this region and utilise the complex on a daily basis, being not for racing purposes but for all the other options circuits and complexes like this can offer as listed in the business case. This only supports what I originally handed over. This motorsports complex would be the best option for major growth for both the young and older community to benefit from.

As I said the use of this facility is tenfold and every business, eating house, accommodation, repair shop, engineering shop, coffee houses, the list goes on will all benefit financially from this venture.

I strongly support the involvement of independent investment to construct this venture as I believe Council should be the lessor and allow the people who have the best knowledge of running these sites to do that, run it to its fullest capacity and the community reap the benefits.

As a Road Race Commissioner on the Board of Motorcycling Australia, I can also say that Motorcycling Australia are also behind this venture and would offer support in many varying options. Motorcycling Australia licence holders hire a circuit like this proposed 159 days of the year alone so along with other training, coaching, corporate days this complex would be hired 365 days of the year quite easily and Winton Raceway is proof of that. Motorcycling Australia are supportive of any new complex being established as its supporting all aspects of the sporting fraternity in many varying ways which is also a very positive outcome for all involved.

I look forward to this finally coming to reality as soon as possible for all the community near and far to benefit from its rewards.

Kindest Regards

Julie Waters
Dirt Track Rep - NWVMCC
Road Race Commissioner - MA



28th September 2016.

Gerard Jose
Chief Executive Officer
Mildura Rural City Council
108-116 Madden Avenue
Mildura
Victoria 3500

Dear Mr. Jose

**BMW CAR CLUB OF VICTORIA LETTER OF SUPPORT FOR THE MILDURA
MOTORSPORTS PRECINCT FINAL BUSINESS CASE AND STAGED
DEVELOPMENT PLAN**

On behalf of the BMW Car Club of Victoria, I would like to provide this letter of support for the Mildura Motorsport Precinct Business Case and staged development plan. A facility like this would be appealing for our car club members and we would expect to use the facility if it was to be developed.

Our Club currently has 688 members and provides different options for our members to participate in, including; motorsport events, driver training events and social drive events.

If a race track facility is developed in Mildura, we anticipate that our club would utilise this facility for events such as sprint events, driver training and motorkhana events on the skid pan and social drive events to Mildura as part of this. Our club currently uses facilities such as Winton Race Way, Phillip Island Raceway and Shepparton's DECA Driving Training Centre. The opportunity to add a new race track to that list would be appealing to many of our members. We currently host approximately 6 Motorsport and 4 Driver Training events each year as well as numerous social drive events.

The BMW Car Club of Victoria looks forward to seeing this motorsport facility being developed in the future. Should you require any further information in relation to our support for this project, please contact our Motorsport Captain, Graeme Bell on 0407 186296.

Yours faithfully,

Tony Whelan,
Secretary & Public Officer | BMWCCV

"Share the Driving Pleasure" with the BMWCCV



All British Classics Car Club Vic Inc.

MRCC
RECEIVED

14 OCT 2016

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1-10 Years

11-35 Years

Mr Gerard Jose
Chief Executive Officer
Mildura Rural City Council
PO Box 105
MILDURA VIC 3502

27th September 2016

Dear Mr Jose,

MOTORSPORT PRECINCT SUPPORT FOR MILDURA

As the coordinator of RACV Fly the Flag Tour for 16 years and President of the All British Car Club, I am pleased to write a letter of support for the proposed Motorsport precinct including the Bitumen Race Track, skid pan and facilities proposed in the Mildura Motorsports Business Case.

Each year we travel Victoria and we would be delighted to have this new precinct included in our Mildura visit and could guarantee an influx of some 400 persons, 200 cars for 2 – 3 days where we would utilise the track and facilities for activities and meetings.

Our club has 180 family memberships and linkages with many other groups including Jaguar, Rover and Triumph Car Clubs of Victoria,

The All British Classics Car Club has the operational role of conducting the Great Australian Rally, organised in conjunction with the RACV and the Peter MacCallum Cancer Institute. The ABCCC provides the marshals and the manpower required to run such an event. We have raised well over \$1million for charity and this reflects the standard of our members. I believe the formula for our club is working well and we would like to include Mildura in future rallies and touring options given the new facilities proposed.

Should you wish to discuss this matter further I would be pleased to hear from you, my mobile is: 0408 128 420.

Kind regards,

Tony Pettigrew
Coordinator RACV Fly the Flag
On behalf of the All British Car Club of Victoria



ALL BRITISH CLASSICS
CAR CLUB Inc. A00035462V

Tony Pettigrew
President

16 Lawler Lane
Coldstream 3770

Ph: 03 9739 1146
Mob: 0408 128 420
Email: tonypettigrew@bigpond.com
www.abccc.com.au

15/04/2016

Att: Jarrod Delahunty
Events Projects Officer
(Economic Projects Focus)
Mildura Rural City Council

RE: Mildura Motorsports Precinct

G'day Jarrod,

I attended one of the information sessions you held in regard to the new Mildura Motorsports Precinct and would like to pass on my support for the project. I found the night quite informative and look forward to future sessions or simply getting updates on how this is progressing.

I not only support the project as a ratepayer and Sunraysia resident but also as part a small group who may be involved with the precinct once it is running. I believe, as do all those I have spoken to about this project, that this has a huge potential benefit for our community. I have also spoken to individuals that would be happy to support any involvement I may have with the project, once up and running.

I am part of a little known group called and this is a group of motor enthusiasts that is not about getting recognition, but about getting out and enjoying life. This is a group that is mainly focussed around trikes but is open to motorbikes and cares also. We do the odd charity run and are happy to support fundraisers (although we would prefer to keep a low profile as it is more about helping and participating than boosting our own egos), social runs are also something we try to get going when we can.

Brolumy House, although quite small, also has some affiliations with other clubs and groups, at this stage based mostly around trikes. There are two national clubs, one with well over 400 members, and a third group known as 'Vic Trikers – Trike & Spider Riding Group – Victoria Australia'. This last group is a social and ride group loosely based around Melbourne. This third group has over 650 members across Australia but mainly in Victoria and is growing all the time. It has members who are members of the national clubs and also people who are not affiliated with any clubs. I have had a strong interest from many of these people to support Brolumy House if we were to hold an event or support an event (as was done with the Bathurst 1000 a year or two ago). There is also a bi-annual trike fest which is held somewhere different each time and easily raises hundreds on thousands of

dollars for the local community (the last one was in Victor Harbor in South Australia and the next will be in the Hinterland in Queensland). There is plenty of possibility for events like this to be blended into a motorsports precinct event and or holding an event of our own.

It is for this reason that I am eagerly waiting to see how this project goes and hope that it can get off the ground soon. There are many ways we could be involved and once things are clearer as far as management of the complex goes I will be speaking to the operators to see how we can either assist or possibly hold an event of our own. Due to the distance Mildura is away from most of the people I am affiliated with, there is also a benefit to the general community as far as accommodation and other local activities go.

I hope that I can be a small help towards the project and I look forward to more on the Mildura Motorsport Precinct. I would like to thank you for your time and wish you the best of luck.

Cheers

Brian Hermans

Brolumy House

P.O. Box 133

Cardross, VIC. 3496

brolumy@ncable.com.au or brolumy@gmail.com

15 September 2016

Gerard Jose
Chief Executive Officer
Mildura Rural City Council
108-116 Madden Avenue
Mildura
Victoria 3500

Dear Mr. Jose

CHAMPION'S RIDE DAYS USE OF A BITUMEN RACE TRACK, SKID PAN AND FACILITIES AT PROPOSED MOTORSPORT PRECINCT AT MILDURA

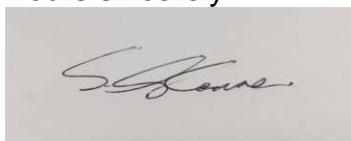
I would like to offer this letter of support for the development of a race track, skid pan and facilities as part of the Mildura Motorsport Precinct Business Case. Champion Ride Days sees this as an opportunity to build our business and if facilities were developed we would strongly consider the facility for our popular 'ride days'.

Champion Ride Days has a long history, dating back 17 years. Our organisation holds and facilitates 'ride days' for motorcycle riders. Currently our organisation holds rider training days at a number of race tracks throughout Australia, including Phillip Island, Broadford Raceway, Queensland Raceway, Lakeside Raceway, Barbagallo Raceway and Mallala Raceway. We are always looking at further opportunities and the location of a race track at Mildura would certainly be of interest to us. Currently we hold these 'ride days' at raceways ranging from 1 'ride day' per quarter, up to 36 ride days a year at some venues.

My organisation is always looking at improving and building our market share and would definitely consider using the facility if this was to be developed. Mildura has a strong motorsport following and I am sure this would offer many opportunities for our business.

Champion's Ride Days would be very keen to see this motorsport facility developed. I wish you luck in the completion of the Mildura Motorsport Precinct Business Case. Should you require any further information in relation to our support for this project, please contact Scott Osborne on (07) 3287 4144 or scott@championsridedays.com.au.

Yours sincerely



SCOTT OSBORNE



20 September 2016

Gerard Jose
Chief Executive Officer
Mildura Rural City Council
108-116 Madden Avenue
Mildura
Victoria 3500

Dear Mr. Jose

CHARGER CLUB OF VICTORIA USE OF A BITUMEN RACE TRACK, SKID PAN AND FACILITIES AT PROPOSED MOTORSPORT PRECINCT AT MILDURA

The Charger Club of Victoria would like to offer this letter of support for the development of a race track, skid pan and facilities as part of the Mildura Motorsport Precinct Business Case. Our club see this as a potential opportunity to run events in Mildura for our club members in the future.

Our car club runs social events to many different areas and the opportunity to travel to Mildura and use the race track or skid pan as a part of a social event is very attractive to our club and we would consider coming to Mildura for weekends or long weekends, as part of our social event calender.

Our club has 118 members in Victoria, and has car clubs spread throughout Australia many of whom are involved with motorsport events and social events. Our club is dedicated to the Australian designed and made Chrysler Valiant Charger which was sold from 1971 through to 1978.

The development of a new race track and skid pan would be well received by our members. We look forward to an opportunity to utilise the facilities in the future and wish you well in development of the Business Case for the Mildura Motorsport Precinct. Should you require any further information in relation to our support for project, please contact Michael Hibbert President, Charger Club of Victoria Inc. 0418 354 364.

Yours sincerely

A handwritten signature in blue ink, appearing to read "Michael Hibbert", is written over the "Yours sincerely" text.

19 September 2016

Gerard Jose
Chief Executive Officer
Mildura Rural City Council
108-116 Madden Avenue
Mildura
Victoria 3500

Dear Mr. Jose

**COBRA CAR CLUB OF VICTORIA USE OF A BITUMEN RACE TRACK,
SKID PAN AND FACILITIES AT PROPOSED MOTORSPORT PRECINCT
AT MILDURA**

Our club would like to offer this letter of support for the development of a race track, skid pan and facilities as part of the Mildura Motorsport Precinct Business Case. The Cobra Car Club of Victoria see this as a potential great opportunity to run events for our club members in Mildura in the future.

Our club has 140 members within Victoria and we feel our club would consider running events at the race track in Mildura if this was to be developed. We already visit other race tracks in Victoria and an opportunity to visit a new location and race track would be of interest to many of our members.

The development of a new race track, skid pan and facilities would be well received by our club members. We look forward to an opportunity to utilise the facilities in the future and wish you well in development of the Business Case for the Mildura Motorsport Precinct. Should you require any further information in relation to our support for this project, please contact Rohan Smith President Cobra Car Club of Victoria. President@cobracarclubvic.org.au 0412 249 950.

Your sincerely

Rohan Smith
President CCCV

ABN: 25 133 177 205

P.O. Box 455 Buninyong Vic 3357

Ph: 1300886967 / 0409037808

david@fastrackracing.com.au



15 September 2016

Gerard Jose
Chief Executive Officer
Mildura Rural City Council
108-116 Madden Avenue Mildura
Victoria 3500

Dear Mr. Jose

FASTRACK RACING USE OF A BITUMEN RACE TRACK, SKID PAN AND FACILITIES AT PROPOSED MOTORSPORT PRECINCT AT MILDURA

I would like to offer this letter of support for the development of a race track, skid pan and facilities as part of the Mildura Motorsport Precinct Business Case. Fastrack Racing sees this as a future opportunity to build our business and if facilities were developed we would strongly consider the facility for our popular 'V8 Racecar Experience'. In addition with the Sunset Strip close by, this may offer further opportunities for our 'Drag Racing Experience'.

Fastrack has 20 years' experience in providing Australians with the ultimate Drive or Ride Experiences. The organization is the largest driver/ride experience organization in Australia and is owned and operated by people who are actively involved in Australian motorsport and ready to share their wealth of knowledge and experience.

With continuous growth within the corporate market, more and more businesses are seeing motorsport as their most successful team building and client entertainment tool. Our V8 experiences are run at some of Australia's most famous race tracks in many states, not only in the cities but also regional areas like Winton Raceway.

From a business perspective we are always looking at further opportunities to build on our 'driver/ride experience'. If there was a market for the driver experiences in Mildura we would consider coming to the Mildura track initially 4 times per year. Additionally we see further opportunities with the Drag Racing Experience at the Sunset Strip close by as part of the motorsport precinct.

Fastrack Racing can see the great potential a motorsport precinct like this could provide in this regional area. We hope that the race track, skid pan and facilities can be developed and look forward to the opportunity to bring our 'V8 Experience' to the area in the future. We wish you luck in the completion of the Mildura Motorsport Precinct Business Case.

Yours sincerely

A handwritten signature in blue ink, appearing to read "D Maidment", with a long horizontal flourish extending to the right.

David Maidment
GENERAL MANAGER



Gerard Jose
Chief Executive Officer
Mildura Rural City Council
108-116 Madden Avenue
Mildura
Victoria 3500

MRCC RECEIVED	
- 3 OCT 2016	
File	13/10/08
W/Flow	Dingo
Act/Off	G. Jose
Security
Copy/Rel
<input type="checkbox"/>	Permanent
<input checked="" type="checkbox"/>	1-10 Years
<input type="checkbox"/>	11-35 Years

16 September 2016

Dear Mr. Jose

THE FORMULA COMPANY PTY LTD USE OF A BITUMEN RACE TRACK, SKID PAN AND FACILITIES AT PROPOSED MOTORSPORT PRECINCT AT MILDURA

I would like to offer this letter of support for the development of a race track, skid pan and facilities as part of the Mildura Motorsport Precinct Business Case. The Formula Company sees this as a future opportunity to build our business and if these facilities were developed we would be keen to hold various events and driver experiences at the track.

The Formula Company Pty Ltd specialises in event management and driver training. We are one of Australia's most experienced teams of driving based event specialists with over 30 years of collective experience in managing car launches, dealer network training, driver education and track days. The Formula Company is dedicated to delivering outstanding event management and driver training services to automotive brands, corporations, motoring enthusiasts and the general public.

Our company is always looking at further opportunities to develop and a new track in a regional area, in between 3 state cities would be of interest for us. We understand that Mildura already has a strong participation in motorsport being 4 times the national average. We see opportunities in this, and services we would consider bringing to Mildura initially would be driver training, track days which are our most popular and drive experiences.

Our company would be keen to see the development of a race track, skid pan and facilities as part of the Mildura Motorsport Precinct be developed in the future. The Formula Company would look forward to any opportunity to being involved in the race track at Mildura. We wish you well in the final development of the Business Case. Should you require any further information in relation to our support for this project, please contact me via the details below.

Yours sincerely

Tony Palmer
Managing Director
The Formula Company Pty Ltd
Email: tony@theformulacompany.com
Phone: 0411 325 553

GEELONG MOTOR SPORTS COMPLEX INC.

President Craig Dixon
Secretary Graham Harrison
P.O Box 108
Geelong, Vic 3220

7.11.16

Mr Gerard Jose
Chief Executive Officer
Mildura Rural City Council
Mildura 3502

Dear Gerard,

Re: Letter of Support for Mildura Motorsports & Community Precinct

The Geelong Motor Sports Complex at Avalon (Geelong) would like to fully support the Mayor Cr. Glenn Milne and the Mildura Rural City Council in its endeavours to expand the Mildura Motorsports & Community Precinct.

The development of the Mildura complex can only be of major financial and community benefit to not only the people of the Mildura community but all interested in motor sport and public safety on our roads.

For 35 plus years motor sport events in and around the Mildura region have gained support of Geelong competitors, including those of the Hattah, Sunset Enduro, Tapio and last year the Mildura National Off-Road event.

As our member Richard Oakley may have explained to you at the Motorclassica a couple of weeks ago the Geelong Motor Sports Complex is predominately used by six motorsports club representing just on 1000 members.

Mildura is logistically positioned to gain the support of motorsport competitors and enthusiasts and become an even bigger drawcard for events in Australia in the years to come.

I will be in Mildura in a couple of weeks and will make contact with you.

Yours sincerely,

Graham Harrison
0419 875 834
Email gramarh@bigpond.com

20 September 2016

Gerard Jose
Chief Executive Officer
Mildura Rural City Council
108-116 Madden Avenue
Mildura
Victoria 3500

Dear Mr. Jose

**MILDURA FALCON GT RUN EVENT LETTER OF SUPPORT FOR
THE MILDURA MOTORSPORTS PRECINCT FINAL BUSINESS CASE AND
STAGED DEVELOPMENT PLAN**

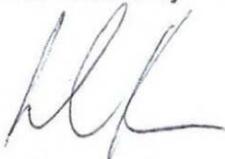
On behalf of the Mildura Falcon GT Car Run event, I would like to provide this letter of support for the Mildura Motorsport Precinct Business Case and staged development plan. A facility like this would offer further opportunity for our event attendees to participate in an event at the race track and skid pan.

The Mildura Falcon GT car run to Mildura attracts around 100 cars (at least 200 people) to our event with cars travelling from states all over Australia to attend. If a race track and skid pan was developed, we would look at options to use the track, skid pan and facilities as part of the event moving forward. Offering a facility like this may also allow us to grow the number of attendees to the event which is held on a biannual basis.

Those who attend this event fill local accommodation and the restaurants and provide a valuable economic return to the Mildura area every time this event is held.

As the host of this event and as a local I look forward to seeing this project move ahead. I hope that the race track, skid pan and facilities can be developed and look forward to the opportunity to use the facility as part of our event in the future. Should you require any further information in relation to our support for this project, please contact Frank Romeo, Event Organiser on 0418 502 622.

Yours sincerely

A handwritten signature in black ink, appearing to be 'FR' or similar initials, written in a cursive style.



All correspondence to:
Sunraysia Motor Sport Club Inc
P.O. Box 2064 Mildura
Victoria 3502
Enquires Jason Hannig 0400 494470
Kaylene Philp 0428 230915

Wednesday 14th September 2016

Gerard Jose
Chief Executive Officer
Mildura Rural City Council
108-116 Madden Avenue
Mildura
Victoria 3500

Dear Mr Jose

**SUNRAYSIA MOTOR SPORT CLUB SUPPORT FOR THE MILDURA MOTORSPORTS
PRECINCT FINAL BUSINESS CASE AND STAGED DEVELOPMENT PLAN**

The Sunraysia Motor Sport Club would like to pass on its full support for the Mildura Motorsport Precinct Business Case. This project would not only benefit motorsport, its participants and spectators, but the Mildura region as a whole including local business and community. We are aware that the Mildura motorsports industry currently provides an economic benefit of 21.4 million to the Mildura economy and has an even greater opportunity to increase this significantly with the development of this motorsport precinct.

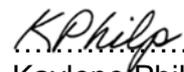
Sunraysia Motor Sport Club has been located at the Block H site for many years and is investigating further options to find a site which may provide a larger track area for our off road racing.

The club currently hosts a number of events, with the major event being the very popular Sunraysia 600, part of the Australian off Road Championship held on private land west of Mildura. This event brings large crowds of people to the area and our club is looking at further options for events similar.

The Sunraysia Motor Sport Club looks forward to seeing this motorsport precinct going ahead and providing many valuable benefits to the community. Should you require any further information in relation to our support for this project, please contact either Jason Hannig (chairperson) on 0400 494 470 or myself Kaylene Philp (Secretary) on 0428 230 915

Yours sincerely


.....
Jason Hannig
Chairperson
☎ 0400 494470
✉ jhannig@haeusler.com.au


.....
Kaylene Philp
Club / Event Secretary
☎ 0428 230915
✉ info@sunraysiamotorsportsclub.com.au

 www.sunraysiamotorsportsclub.com.au

11 October 2016

Gerard Jose
Chief Executive Officer
Mildura Rural City Council
108-116 Madden Avenue
Mildura, Victoria 3500



RENAULT CAR CLUB OF VICTORIA
Registration Number A0008577B ABN 57 206 417 327
P.O. Box 111 Heidelberg Vic. 3084

Dear Mr Jose,

RENAULT CAR CLUB OF VICTORIA SUPPORT FOR A BITUMEN RACE TRACK, SKID PAN AND FACILITIES AT PROPOSED MOTORSPORT PRECINCT AT MILDURA

The Renault Car Club of Victoria would like to offer this letter of support for the development of a race track, skid pan and facilities as part of the Mildura Motorsport Precinct Business Case. If a new race track was developed in Mildura, our club see this as a potential opportunity to attend events in Mildura for our club members.

Our car club is 63 years old and is one of the oldest car clubs in Australia. We currently have 150 members who, as part of the club, participate in motorsport events such as motorkhanas, sprints, trials, rallies, autocrosses and hillclimbs. In addition, we have social days which include drive days and weekends.

The development of a brand new race track and skid pan at Mildura will offer a new and exciting venue for our club to visit, and to put on events such as sprints on the race track as well as motorkhana using the skid pan subject to appropriate pricing. The location of Mildura may also mean the need to incorporate a drive day weekend to the city. If the facilities can be built, our club would consider options to run these types of events in Mildura.

A new race track and skid pan would offer another option for our members who already visit other race tracks in Victoria. We look forward to an opportunity to utilise the facilities in the future and wish you well in development of the Business Case for the Mildura Motorsport Precinct. Should you require any further information in relation to our support for this project, please contact Geoff Rasmussen, President on 0419 357 509.

A handwritten signature in blue ink, appearing to read 'G Rasmussen', is written over a light blue horizontal line.

Geoff Rasmussen
President



4 August 2016

Gerard Jose
Chief Executive Officer
Mildura Rural City Council
108-116 Madden Avenue
Mildura
Victoria 3500

Dear Mr. Jose

**MILDURA SPEEDWAY DRIVERS CLUB SUPPORT FOR THE MILDURA MOTORSPORTS
PRECINCT FINAL BUSINESS CASE**

The Mildura Speedway Drivers Club would like to pass on its full support for the Mildura Motorsport Precinct Business Case. The club feels this motorsport precinct could not only benefit our club in to the future but also the Mildura Motorsport Industry as a whole. We believe that this project will also provide many benefits for our community and local businesses. The North Western Victorian Motor Sports Feasibility Study in 2011 identified that the local motorsports industry already contributes \$21.4 million to Mildura's economy and has the opportunity to significantly increase this if the motorsport precinct is developed.

Our club estimates it currently generates \$290,000 economic benefit to the Mildura economy each year and feels this would increase significantly more by being located at the new motorsport precinct at Block H in the future. New facilities and being a part of an integrated motorsport precinct, will allow us to draw more spectators but also the potential for more state or national events.

Our club was established in 1964 at 3342 Deakin Avenue Mildura. We currently have 53 life members and 196 general members. The club hosts around 11 events per year, along with a state or national title.

The Mildura Speedway Drivers Club would like to state its intention to move to the Mildura Motorsport Precinct in the future. The strategic planning for our club is based around moving to the site in 10 years at the completion of our current lease. The club would look to replicate and improve its current motorsport facilities at the site and would require 10 hectares of land which has been included on the staged development plan at Block H.





Our club is keen to see this motorsport precinct go ahead and looks forward to being a part of this in the future. If you require any further information on our support for this project, please contact Ben Aworth, President, 0427 257 041.

Yours sincerely

Taleah Dolic
Secretary
Mildura Speedway Drivers Club Inc.
0409535524

16 September 2016

Gerard Jose
Chief Executive Officer
Mildura Rural City Council
108-116 Madden Avenue
Mildura
Victoria 3500

Dear Mr. Jose

LONGROUP USE OF A BITUMEN RACE TRACK, SKID PAN AND FACILITIES AT PROPOSED MOTORSPORT PRECINCT AT MILDURA

I would like to offer this letter of support for the development of a race track, skid pan and facilities as part of the Mildura Motorsport Precinct Business Case.

LONGROUP is an automotive consultancy founded in 1999 that provides many services to the industry including corporate and private drive days for the luxury car market, car launches for OEM's and various driver training programs using the skid pan. The development of a new exciting race track with the facilities to support our automotive consultancy and our clients would be of interest to us, and we would strongly consider the facility for the various services we provide. We would look to work closely with management of the facility to ensure our valuable clients have the ultimate experience.

My organisation can see the potential a motorsport precinct like this could provide in this regional area. We hope that the race track, skid pan and associated facilities can be developed and look forward to the opportunity to bring our business to the area in the future.

We wish you luck in the completion of the Mildura Motorsport Precinct Business Case and should you require any further information in relation to our support for the project, please contact Luke O'Neill on 0418 882 264.

Yours sincerely,



Luke O'Neill
LONGROUP
+61 418 882 264



Andrew C Mumford - President

Phone: 04 10 413121

Email: president@maserat1.org.au

www.maserati.org.au

Patron: Reg Hunt

27 September 2016

Gerard Jose
Chief Executive Officer
Mildura Rural City Council
108-116 Madden Avenue
Mildura
Victoria 3500

Dear Mr. Jose

MASERATI CLUB OF AUSTRALIA USE OF A BITUMEN RACE TRACK, SKID PAN AND FACILITIES AT PROPOSED MOTORSPORT PRECINCT AT MILDURA

The Maserati Club of Australia would like to offer this letter of support for the development of a race track, skid pan and facilities as part of the Mildura Motorsport Precinct Business Case. Our club see this as a potential opportunity to run motorsport events in Mildura for our members in the future.

The Maserati Club of Australia was founded in 1981, and is based in Melbourne. We have 584 members spread throughout Australia, although the majority are Victoria based and actively involved in motorsport.

Our car club runs motorsport events not only for our Maserati Club members but also in conjunction with the WRX, Jaguar and Ferrari Car clubs as well as managing days for CAMS and the National Sprint Series Championship.

Motorsport events are usually based around a sprint event format. We currently run track days at Winton Raceway, Philip Island and Sandown. The option to run an event at a new race track would be welcomed by our members. Due to the distance to travel to Mildura, our members would require accommodation in Mildura and our events are usually held on weekends.

The development of a new race track and skid pan would be well received by our members. We look forward to an opportunity to utilise the facilities in the future and wish you well in development of the Business Case for the Mildura Motorsport Precinct. Should you require any further information in relation to our support for this project, please contact me directly.

Yours sincerely

Andrew C Mumford
President, Maserati Club of Australia

20 September 2016

Gerard Jose
Chief Executive Officer
Mildura Rural City Council
108-116 Madden Avenue
Mildura
Victoria 3500

Dear Mr. Jose

**MATTHEWS AND ASSOCIATES SUPPORT FOR THE MILDURA
MOTORSPORTS PRECINCT FINAL BUSINESS CASE AND STAGED
DEVELOPMENT PLAN**

Matthews and Associates would like to offer its full support for the Mildura Motorsport Precinct Business Case and staged development plan. Our organisation can see the great opportunities a precinct like this could have for not only our business but the entire Mildura and surrounding community. A facility like this could provide a valuable economic impact to our region.

Matthews and Associates are specialist education consultants who provide accredited training and assessment to individuals and employees of companies. I have been involved in the training industry for 22 years and during that time I recognised the need for individualised one on one training.

Our organisations philosophy is to provide quality training and assessment, focusing on customer service where each client is treated as an individual with the utmost care, respect and professionalism. We currently provide training in Certificate III and IV in Driving Operations as well as driving units in agriculture, horticulture and high risk licensing. We are currently accredited in heavy vehicle license training and assessment in association with Wodonga TAFE.

Our organisation can see an opportunity to develop further driver education courses for the young and adults alike utilising the proposed skid pan and race track for this training. If this facility can be developed, we anticipate that our organisation would look to use the skid pan 2-3 days a week for driver training plus use of the race track. This driver training would cover;

- Defensive driver training courses for young people and adults
- Driver handling courses, including the use of ABS brakes and how they work

We would require the use of a small meeting room that would allow our students to complete the theoretical format for this driver training at the race track.

This type of training would build the skills and confidence of drivers in our area and make the roads a safer place to drive. In addition, there may be other driver education courses that we would consider in the future at the facility.

Our organisation looks forward to being a part of this project moving forward. We hope that the race track, skid pan and facilities can be developed and look forward to the opportunity to bring our business to the facility in the future. We wish you luck in the completion of the Mildura Motorsport Precinct Business Case and should you require any further information in relation to our support for this project, please contact me on 0427 224 794.

Yours sincerely,



Phil Matthews Grad Dip VET, Dip TAA, Dip AG, Dip Agribusiness.
Director



19th September 2016

Gerard Jose
Chief Executive Officer
Mildura Rural City Council
108-116 Madden Avenue
Mildura Victoria 3500

Dear Mr. Jose

THE MX-5 CAR CLUB OF VICTORIA AND TASMANIA USE OF A BITUMEN RACE TRACK, SKID PAN AND FACILITIES AT PROPOSED MOTORSPORT PRECINCT AT MILDURA

The MX-5 Car Club Victoria and Tasmania Inc. would like to offer this letter of support for the development of a race track, skid pan and facilities as part of the Mildura Motorsport Precinct Business Case. The MX-5 Car Club see this as a great opportunity to run events for our club members.

Our car club is always looking for race tracks to run events on. Our club would definitely run events at the race track in Mildura if this was to be developed. We find that it can be quite difficult to find race tracks available throughout Victoria and the opportunity to utilise a new and exciting track and skid pan would be of interest to many of our members. Our club would look at running sprint events, motorkhana and other motor events at the facility at least once a year.

Additionally, our social car club members would be interested in visiting Mildura and utilising the track as part of weekends away that are planned each year. We have significant numbers who travel away for social trips in their MX-5 cars.

The MX-5 Car Club has over 750 members in Victoria, and has car clubs spread throughout Australia many of whom are involved with motorsport events and social events.

The development of a new race track and skid pan would be well received by MX-5 Car Club members. We look forward to an opportunity to utilise the facilities in the future and wish you well in development of the Business Case for the Mildura Motorsport Precinct. Should you require any further information in relation to our support for this project, please contact Randy Stagno Navarra, Club Captain – Motorsport on 0409 210 872.

Yours Sincerely

A handwritten signature in black ink, appearing to read 'R Stagno Navarra'.



Peter Dannock
President
president@mx5vic.org.au



MILDURA KART CLUB



3 August 2016

Gerard Jose
Chief Executive Officer
Mildura Rural City Council
108-116 Madden Avenue
Mildura
Victoria 3500

Dear Mr. Jose

MILDURA KART CLUB SUPPORT FOR THE MILDURA MOTORSPORTS PRECINCT FINAL BUSINESS CASE AND STAGED DEVELOPMENT PLAN

The Mildura Kart Club wishes to convey its full support for the Mildura Motorsport Precinct Business Case. This motorsport precinct has the potential to benefit the future sustainability and development not only for our club, but the Mildura Motorsport Industry and the North West Motorsports Industry (including Swan Hill) as well. We recognise the benefits this project brings to motorsport clubs, participants and spectators, but importantly, the additional benefits to the Mildura region as a whole including local business and community.

We are aware that the Mildura motorsports industry currently provides an economic benefit of \$21.4 million to the Mildura economy and has an even greater opportunity to increase this significantly with the development of this motorsport precinct.

The Mildura Kart Club would like to formally state its intention to move to the Mildura Motorsport Precinct in the future. The strategic planning for our club is based around moving to the site in 21 years, at the completion of our current lease. The club would look to upgrade its current motorsport facilities to include a 1km track at the site and would require 7 hectares which have been communicated and included in the staged development plan for the precinct.

Mildura Kart Club is one of the oldest clubs in the Victorian Karting Association. We have been running kart racing events from our current location, adjacent Mildura Airport since first becoming established in 1960. We currently have close to 100 financial members with an almost equal mixture of Males, Females and juniors.

The club hosts 12 racing events throughout the year. This includes a historic race meeting called the North West Victorian Title, which in 2017 will be in its 45th consecutive year. The North West Victorian Title is the longest running non State or National Championship race meeting and attracts drivers from all over Australia.



Mildura Kart Club
PO Box 567
MILDURA Vic 3502
Ph. 0416 562 462
Email: mdakart@bigpond.net.au
www.facebook.com/mildurakartclub





MILDURA KART CLUB



Karting Australia have recently made significant changes to their rules and regulations, which include new engines, controlled tyres and additional safety features. These changes will make a substantial improvement within all aspects of karting in the future. However, the additional costs have seen a reduction in entrant number for most karting events this year. We estimate that within the next 3 to 5 years the entrant numbers will again rise with the option of second hand karting equipment becoming available across Australia.

The Mildura Kart Club estimates it currently generates \$64,719 economic benefit to the Mildura economy each year and feels this may be able to grow to over \$1,000,000 in the future by moving to the new motorsport precinct. The motorsport precinct will allow us the opportunity to develop a 1 km track, which under the new Karting Australia Regulations would be a National Graded facility that will open up the possibility to hold a number of National and State level racing events, as detailed in the table below.

Motorsport Precinct Kart Track- Proposed Economic Benefits	
Club Day Events	\$23,775
North West Title	\$66,830
Victorian Country Series	\$175,567
Rotax Pro Tour Round	\$308,103
National Series Round	\$527,850
Total Possible Economic Benefits:	\$1,102,125

The Mildura Kart Club is very keen to see this motorsport precinct developed and looks forward to being a part of this in the future. Should you require any further information in relation to our support for this project, please contact our Club President Robert Chamberlain on 0448 525 712 or our Club Secretary Toni Solomon on 0416 562 462.

Yours sincerely

Robert Chamberlain
Mildura Kart Club
President
0448 525 712



Mildura Kart Club
PO Box 567
MILDURA Vic 3502
Ph. 0416 562 462
Email: mdakart@bigpond.net.au
www.facebook.com/mildurakartclub





P.O. Box 10017,
Mildura,
Victoria,
3502.

MRCC
RECEIVED

29 SEP 2016

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Permanent

5-10 Years

11-35 Years

29 September 2016

Gerard Jose
Chief Executive Officer
Mildura Rural City Council
108-116 Madden Ave
Mildura Victoria 3500

Dear Mr. Jose

The Mildura Muscle Car Club offers its full support for the **Mildura Motorsport Precinct Business Case and Staged Development Plan**. We feel that a complex like this in our area would provide a great facility for our members and also bring a valuable economic return to this area.

Our club which was formed in 2007, presently has a membership of 274. We focus on social events and car related activities, with a dedication to preserve and enjoy older performance cars. We welcome members whose cars are 25 years or older.

The development of this motorsport complex will offer a number of activities which our members would be keen to participate in and our club would use the facility as a venue for our meetings.

Feedback from a recent Club survey indicated;

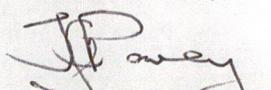
- 1) 40% of members would use the racetrack
- 2) 27% of members would use the drag strip
- 3) 10% of members would use the skid pan

Our club looks forward to seeing this motorsport precinct move ahead. Having a facility like this in Mildura would also allow us to consider hosting events which out of town clubs could attend.

We hope that the race track, skid pan and other facilities can be developed and look forward to the opportunity to use these facilities in the future.

Should you require any further information in relation to our support for this project, please contact Terry Pavey Committee Member on 50251061.

Yours sincerely,


TERRY PAVEY

M.G. CAR CLUB

VICTORIA



14th October 2016

Gerard Jose
Chief Executive Officer
Mildura Rural City Council
108-116 Madden Avenue
Mildura
Victoria 3500

Dear Mr Jose

MG CAR CLUB VICTORIA USE OF A BITUMEN RACE TRACK, SKID PAN AND FACILITIES AT PROPOSED MOTORSPORT PRECINCT AT MILDURA

The MG Car Club Victoria would like to offer this letter of support for the development of a racetrack, skidpan and facilities as part of the Mildura Motorsport Precinct Business Case. If a new racetrack was developed in Mildura, our Club see this as a potential opportunity to run events in Mildura for our Club Members.

Our Club has 1800 members throughout Victoria excluding our sister Club in Geelong. The M.G. Car Club, Melbourne Centre was incorporated in 1961, having been formed in 1958 to preserve, promote and enjoy the marque M.G., and is one of many similar clubs in Australia and worldwide.

Our Club promotes many events including: Circuit Racing, Sprints, Regularities, Hill climbs, Motorkhanas, Rallies, National Meetings and Social events. If the facilities can be built, our club would consider options to run these types of events in Mildura.

A new racetrack and skidpan would offer another option for our members who already visit other racetracks in Victoria. We look forward to an opportunity to utilise the facilities in the future and wish you well in development of the Business Case for the Mildura Motorsport Precinct. Should you require any further information in relation to our support for this project, please do not hesitate to contact me.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Ian Prior', written over a light blue rectangular background.

Ian Prior
President
MG Car Club Victoria
president@mgccv.com.au
0407 178 039

Postal Address

P.O Box 273, Nunawading
Victoria, Australia 3131

ABN 42 004 503 084

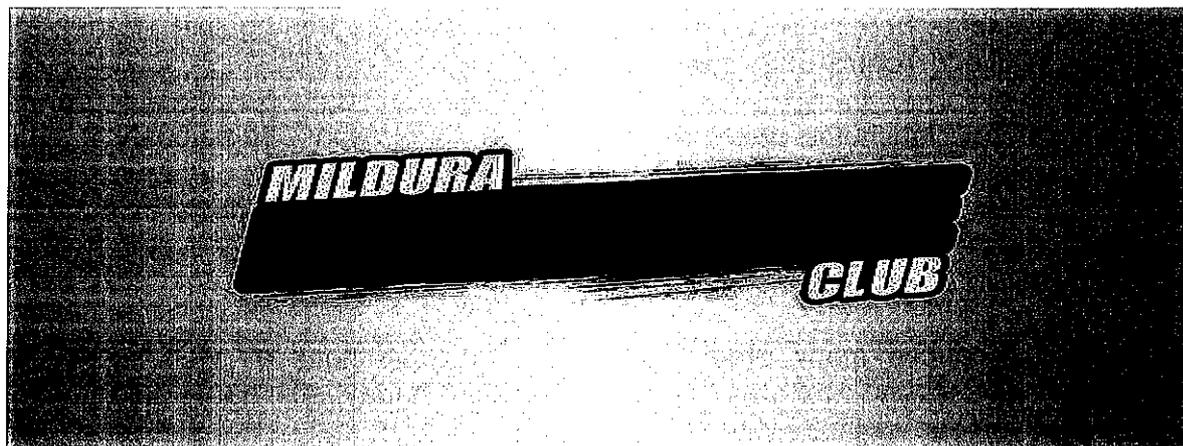
Club Rooms

Unit 53, 41-49 Norcal Road
Nunawading

Website: www.mgcc.com.au

Club Site

Rob Roy Hill Climb
Clintons Road, Christmas Hills



Mildura Motorcycle Club Inc Po Box 197, Mildura, Vic, 3502
Olympic Park Motorcycle Complex, 36 Winton Drive Mildura, Vic 3500
www.milduramotorcycleclub.org.au

9th August 2016

Gerard Jose
Chief Executive Officer
Mildura Rural City Council
108-116 Madden Avenue
Mildura
Victoria 3500

Dear Mr. Jose

**MILDURA MOTOR CYCLE CLUB SUPPORT FOR THE MILDURA MOTORSPORTS
PRECINCT - FINAL BUSINESS CASE AND STAGED DEVELOPMENT PLAN**

Mildura Motor Cycle Club would like to acknowledge its full support for the Mildura Motorsport Precinct Business Case. This motorsport precinct has the potential to benefit the whole of the massive and vital Mildura Motorsport Industry, as well as provide further opportunities for our club to continue to develop motorcycle racing and participation.

Our club recognises the benefits this project brings to motorsport clubs, participants and spectators. Additionally it will provide many benefits to the Mildura region as a whole. From the North Western Victorian Motor Sports Feasibility Study 2011, we know that the Mildura motorsports industry currently provides an economic benefit of \$21.4 million to the Mildura economy and has an even greater opportunity to increase this significantly with the development of this motorsport precinct.

Mildura Motor Cycle Club has promoted International motorcycling since 1954, with the conduct of the 1954, 1955 and 1956 Australian Motorcycle Grand Prix at the Mildura Airport (public road) circuit and has a reputation for being most innovative with our promotion, drawing many visitors to Mildura from around Australia and Overseas.

The Club was founded in 1947 and, as recently as 31st October 2015, conducted our first ever, FIM World Speedway Championship event when we staged the 2015 FIM Team Speedway Under 21 World Championship – Final at our Olympic Park complex.

Under 21 teams came from Poland, Germany and Denmark to race against Team U21 Australia for the World Teams Championship.

Each year Mildura Club hosts open, regional, State, Australian Championships and International events in both speedway and Arena Motorcross, using our two unique track facilities at Johnston's Bend. During our regular season the Club holds at least 15 "Open" class meetings as well as more than 40 "Training, coaching and development & participation sessions", all under strict supervision at our complex.

The Club has produced many State and Australian Champions as well as World Champions in Speedway over the last 50 years and today still has riders riding professionally overseas as their full time job.

The Club will be heavily involved in supporting the development of the Mildura Motorsports precinct and will take the opportunity to again be involved in "bitumen" style racing of motorcycles.

The Mildura Motorcycle Club estimates it currently generates \$2.MIL economic benefit to the Mildura economy each year and feels this may be able to grow to over \$3MIL in the future by moving to the new motorsport precinct.

Our Club is ideally placed for immediate involvement as we have members who already have skills in officiating and the administration of motorcycle Road Racing at National and International level.

Our club sees an opportunity to build another arm to our highly regarded motorcycle club through the development of the racetrack which would allow bitumen based road racing and rider training prior to licensing. We know that this type of racing is already popular with many of our members who currently travel to involve themselves in Road Racing. The Club would like to be a part of this facility.

Additionally the Mildura Motorcycle Club would like to formally state its intention to move to the Mildura Motorsport Precinct in the future. Our immediate involvement would be in the area of Road Racing and associated activities. Given our recent major upgrade of our Olympic Park complex, which is aimed to be relevant for around 30 - 40 years, then the Club would move wholly to the Mildura Motorsport Precinct at the completion of our current lease. The club would look to replicate and improve its current motorsport facilities at the site and would require 14 hectares which has been included in the staged development plan for the precinct.

The Mildura Motorcycle Club can see the great potential that a motorsport facility like this could provide in our area and is keen to see this motorsport precinct developed. Our club looks forward to being a part of this in the future. If you require any further information in relation to our support for this project, please contact Gavin Sedgmen, 0448 252 015 or Brendon Gledhill 0419 174 225.

Yours sincerely

Gavin Sedgmen

Gavin Sedgmen
Treasurer/ Development Projects

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16 AUG 2016	
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8 August 2016

Gerard Jose
 Chief Executive Officer
 Mildura Rural City Council
 108-116 Madden Avenue
 Mildura
 Victoria 3500

Dear Mr. Jose

**MILDURA V8 JETBOATS SUPPORT FOR THE MILDURA MOTORSPORTS
 PRECINCT FINAL BUSINESS CASE AND STAGED DEVELOPMENT PLAN**

Mildura V8 Jetboats supports the Mildura Motorsport Precinct Business Case and staged development plan. We see this project as an opportunity to secure the existing economic benefits that motorsports brings to the region and grow those benefits by opening up opportunities to new motorsports disciplines or facilities such as ours.

The development of such a significant and iconic motorsports precinct in the Mildura region will undoubtedly create opportunities for potential investors such as us to build and run a V8 jet boats racing venue. A facility such as this does not currently exist within Mildura. It would increase the diversity of the current motorsports offering and is estimated to attract 3 national events, 1 international event and up to 12 club events per annum. Mildura V8 Jetboats estimates that these events would attract an additional 15,000 visitors to the region every year and would include an average night stay of 3 nights, equating to an additional economic benefit of \$6.8 million per annum to our region.

Mildura V8 Jetboats have been looking for a site for this facility since 2009 and strategically would look to build a facility of this nature within the Mildura Motorsport Precinct (Block H) in the next 1-5 years. The organisation would require approximately 3 hectares in the staged development plan for the precinct and feels that the current proposed location at the motorsport precinct would work well for a facility such as ours.

Mildura V8 Jetboats is looking forward to being a part of this project moving forward. Should you require any further information in relation to our support for this project, please contact Peter Freckleton 0408 502921.

Yours sincerely



Peter Freckleton



Porsche Club

V i c t o r i a



27 September 2016

Gerard Jose
Chief Executive Officer
Mildura Rural City Council
108-116 Madden Avenue, Mildura, Victoria 3500

Dear Mr. Jose

PORSCHE CLUB OF VICTORIA USE OF A BITUMEN RACE TRACK, SKID PAN AND FACILITIES AT PROPOSED MOTORSPORT PRECINCT AT MILDURA

The Porsche Club of Victoria (PCV) would like to offer its support for the development of a race track, skid pan and facilities as part of the Mildura Motorsport Precinct Business Case. Our club is very interested in this project and can see a potential opportunity to run motorsport events in Mildura for our club members in the future.

Our club has some 1500 members who participate in activities such as motorsport events or social drive events. We feel our members would be very interested in coming to Mildura if a race track, skid pan and facilities were developed. There would also be the opportunity for PCV to couple motorsport events and social runs to Mildura in the future.

Our motorsport events include sprint and motorkhana and the opportunity to utilise a newly developed facility would be exciting news for many of our members. I would also note that we often have members from the Porsche Clubs in South Australia and New South Wales attend our events. I'm sure that they would also be interested in your proposed facility. If there was any possibility that your facility could offer night time, perhaps even extending to 24 hour operation on occasions, this would present another significant attraction.

PCV would be happy to continue to engage with the Council, with advice from a motorsport club perspective as you develop this proposal.

We look forward to an opportunity to utilise the facilities in the future and wish you well in development of the Business Case for the Mildura Motorsport Precinct. Should you require any further information in relation to our support for this project, please contact Tony Carolan, Competition Director at competition@pcv.com.au or by phone on 0412 217 365.

Yours sincerely

Tony Carolan
Competition Director



Porsche Club

V I C T O R I A



e: competition@pcv.com.au

www.pcv.com.au

m: +61 (0) 412 217 365

Sunraysia Drag Racing Association
PO Box 113
Mildura
VIC, 3502



3 August 2016

Gerard Jose
Chief Executive Officer
Mildura Rural City Council
108-116 Madden Avenue
Mildura
Victoria 3500

Dear **Mr.** Jose

SUNRAYSIA DRAG RACING ASSOCIATION SUPPORT FOR THE MILDURA MOTORSPORTS PRECINCT FINAL BUSINESS CASE AND STAGED DEVELOPMENT PLAN

The Sunraysia Drag Racing Association would like to pass on its full support for the Mildura Motorsport Precinct Business Case. This motorsport precinct has the potential to benefit our drag racing association but also the whole Mildura Motorsports Industry as a whole. A project of its size will also provide many benefits to our local community. The Mildura motorsports industry already provides an economic benefit of \$21.4 million to the Mildura economy, and there is a huge potential for this to grow further with the development of the motorsports precinct.

The Sunraysia Drag Racing Association, home of the 'Sunset Strip' has been located at Block H since 1995 and feels the opportunity to further develop a motorsport precinct at the site will offer great opportunity for all parties involved. Our club first formed in 1986 and went from having closed road events at Merbein to racing on a world class track at Koorlong in 1998. Our club has always only had around 20 or so members but in its 30 years we have achieved some remarkable accolades including many Australian firsts and hold numerous Australian Records.

Our Association currently hosts 3 state and 1 national event each year as well as 8 club events. We have many visitors to our facility which is extremely well known within drag racing throughout Australia.

We estimate that our association currently generates a significant \$2.87 million in economic benefit to the Mildura economy each year. Developing a premiere motorsport facility at Block H around our current facility offers us the opportunity to build on this and potentially offer more state and national events. It also allows us to attract new spectators to our motorsport, visiting the motorsport precinct.

The Sunraysia Drag Racing Association has been supportive of this potential motorsport project for some time and looks forward to being a part of this in the future. Should you require any further information on this support letter, please feel free to contact me on 0438 548 747

Yours sincerely

A handwritten signature in black ink, appearing to read 'Kingsley Kuchel', written over a horizontal line.

Kingsley Kuchel
President
Sunraysia Drag Racing Association



*North West Victorian
Motorcycle Club*

PO Box 2277, Mildura, Vic. 3502

12 September 2016

Gerard Jose
Chief Executive Officer
Mildura Rural City Council
108-116 Madden Avenue
Mildura
Victoria 3500

Dear Mr. Jose,

**NORTH WEST VICTORIAN MOTORCYCLE CLUB SUPPORT FOR THE
MILDURA MOTORSPORTS PRECINCT FINAL BUSINESS CASE AND
STAGED DEVELOPMENT PLAN**

The North West Victorian Motorcycle Club would like to convey its full support for the Mildura Motorsport Precinct Business Case. The club feels the motorsport precinct will be an asset to the area and the community as a whole.

Our club can see the great opportunity for some of our members who will get involved in road racing if the bitumen race track is completed and this may offer up an opportunity for the club to be involved in some way. We already have members who travel away to race in this discipline and see having this track close by could mean more interest by some of our members in participating.

Our Club currently has a well-developed facility at Jambaroo Park, along 23rd Street Koorlong, close to the proposed motorsport precinct at Block H. The club is keen to remain at our current site given the substantial investments in infrastructure and facilities over the past few years.

Our club has a long history of motorcycle promotion and holds dirt track, long track, motocross and enduro at our current facility at Jambaroo Park. The club also hosts the renown 'Hattah Desert Race', Australia's biggest motorbike event on private land close to Mildura.

The club hosts approximately 15 events per year. This included the Victorian Junior Motocross Title this year which generated a huge number of visitors to the area, we have also placed in a submission to host the 2017 Australian Dirt Track Titles for Junior and Seniors.



*North West Victorian
Motorcycle Club*

PO Box 2277, Mildura, Vic. 3502

Our club estimates it currently generates \$4,500,000 economic benefit to the Mildura economy each year.

North West Motorcycle Club is looking forward to being a part of this project moving forward. Should you require any further information in relation to our support for this project, please contact Murray Follett, President North West Victorian Motorcycle Club 0419346961.

Yours sincerely

A handwritten signature in black ink, appearing to read 'M Follett', with a long horizontal flourish extending to the right.

Murray Follett
President
North West Victorian Motorcycle Club.



10 October 2016

Gerard Jose
Chief Executive Officer
Mildura Rural City Council
108-116 Madden Avenue
Mildura Victoria 3500

Dear Mr. Jose,

V8RACE USE OF A BITUMEN RACE TRACK, SKID PAN AND FACILITIES AT PROPOSED MOTORSPORT PRECINCT AT MILDURA

I would like to offer this letter of support for the development of a race track, skid pan and facilities as part of the Mildura Motorsport Precinct Business Case. V8Race sees this as a future opportunity to build our business and if these facilities were developed we would be keen to hold our performance driving experiences at the facility. We are encouraged and interested to see another track in a regional area developed and can see the many opportunities for this race track.

V8Race has been providing performance driving experiences for 12 years. Our experiences provide drivers an introduction to motorsport and what it's like to drive a real V8 race car.

Our organisation visits many tracks all around Australia, bringing a performance driving experience to the public both in the city and regional areas. Mildura will offer up another opportunity, for our clients to consider and if there is interest in the track we would look to offer the race experience at Mildura. A new track, in a nice location I am sure will offer opportunities for us.

V8Race would be very keen to see the development of a new race track, skid pan and facilities as part of the Mildura Motorsport Precinct be developed in the future. We wish you well in the final development of the Business Case.

Should you require any further information in relation to our support for this project, please contact me on 0427 226217.

Yours sincerely

Greg Evans
Director

2 October 2016

Gerard Jose
Chief Executive Officer
Mildura Rural City Council
108-116 Madden Avenue
Mildura
Victoria 3500



Dear Mr. Jose

IMPREZA WRX CAR CLUB OF VICTORIA INC. USE OF BITUMEN RACE TRACK, SKID PAN AND FACILITIES AT PROPOSED MOTORSPORT PRECINCT AT MILDURA

The Impreza WRX Car Club of Victoria would like to offer its full support for the development of a race track, skid pan and facilities as part of the Mildura Motorsport Precinct Business Case. We can see the great potential a facility like this could have for our members with the opportunity to run motorsport events at Mildura if this is developed.

Our club has approximately 350 members, 70 of which participate in our motorsport championship. Events usually attract 80-120 competitors, with other clubs often involved in our motorsport sprint events. Currently we host 9 rounds of a championship each year with the potential to extend on this if a track in Mildura is developed. This could mean up to 2 motorsports events being held at Mildura as part of the championship. The development of a new and exciting race track would be well received by our members at a time when we are finding it harder to get time at circuits and with some potentially closing in the future.

With Mildura being located centrally to Victoria and South Australia, will also open up further opportunities to hold inter-state championships at the facility.

We feel our members would be very interested in coming to Mildura if a race track, skid pan and facilities were developed. There is an opportunity for us to couple motorsport events and social runs to Mildura in the future.

The development of a new race track and skid pan would be well received by our members. We look forward to an opportunity to utilise the facilities in the future and wish you well in development of the Business Case for the Mildura Motorsport Precinct. Should you require any further information in relation to our support for this project, please contact Kurt Miglas, Motorsport Director on 0412 577 999.

Yours sincerely,

k. miglas

Kurt Miglas
Motorsport Director

Appendix J

Cultural heritage assessment

Appendix J Cultural heritage assessment

AECOM Australia Pty Ltd (AECOM) was commissioned by Mildura Rural City Council to undertake an Aboriginal Archaeological and Cultural Heritage Due Diligence Assessment of Block H outside of Mildura, Victoria (the Activity Area). Mildura Rural City Council is investigating the development of the area for use as a motor sport precinct.

Legislation

The *Aboriginal Heritage Act 2006* (the Act) and the *Aboriginal Heritage Regulations 2007* (the Regulations) require that Cultural Heritage Management Plans (CHMPs) are to be carried out if required by the associated Regulations or the Minister, or if the activity (i.e. the proposed impacts or development) requires an Environment Effects Statement under the *Environment Effects Act 1978* (sections 46-49). A CHMP may also be prepared voluntarily by any person.

Regulation 6 provides that a CHMP is required for an activity if:

- All or part of the activity for the activity is an area of cultural heritage sensitivity
- All or part of the activity is a high impact activity.

The area must also have not been subject to significant ground disturbance. Areas of cultural heritage sensitivity are set out under Divisions 3 and 4 of the Regulations, and high impact activities are set out under Division 5 of the Regulations. In addition, Division 2 of the Regulations sets out activities that are exempt from preparing a CHMP.

As part of this process, due diligences should be conducted to determine whether a mandatory CHMP is required under the Act.

Location of Activity Area

The Activity Area is wholly located on Block H, Koorlong, Mildura, Victoria.

Proposed Activity

Mildura Rural City Council is investigating the development of the Activity Area into a motor sport precinct, including racetrack, skidpan and facilities for competitors and spectators. Impacts will include land clearance and construction of infrastructure to support proposed races and projected spectator numbers.

Existing Information

Information pertaining to the known and potential Aboriginal archaeology of the Activity Area was obtained from:

- A review of landscape context, including relevant environmental factors and past land use practices within the Activity Area.
- A search of Office of Aboriginal Affairs Victoria's (OAAV) Aboriginal Cultural Heritage Register and Information System (ACHRIS) database
- A review of past archaeological reports for the Activity Area

Registered Aboriginal Parties/Applicants

No Registered Aboriginal Parties (RAPs) or RAP applicants are listed in the ACHRIS database. AECOM understands that the local Aboriginal communities are preparing a submission to be listed as a RAP applicant. It is recommended that the OAAV be contacted for recommended groups for consultation.

ACHRIS Data

A search of the ACHRIS database for 1km around the Activity Area was conducted on 9 November 2015. This search returned a total of 3 sites, one artefact scatter and two hearths. All of the sites are located outside of the Activity Area and so would not be impacted by the proposed development.

Table 37 Summary of ACHRIS Sites within 1km of the Project Area.

Site I.D. [VAHR]	Site Name	Site Type	Distance to Activity Area
7329-0229	Koorlong 1	Hearth	1.6 km
7329-0230	Koorlong 2	Artefact Scatter	1.5 km
7329-0231	Koorlong 3	Hearth	1.2 km

Previous Archaeological Assessments

No archaeological assessments are listed for the activity area with ACHRIS. Two assessments are located within 2 km of the Activity Area.

Table 38 Summary of previous archaeological assessments in the Activity Area

Author	Year	Title	Summary
Heritage Consulting Australia Pty Ltd	1998	Berri-Mildura Pipeline (Victorian Section) Aboriginal Cultural Heritage	<p>Conducted:</p> <ul style="list-style-type: none"> Vehicular and pedestrian survey of proposed pipeline easement <p>Results:</p> <ul style="list-style-type: none"> 4 archaeological sites located Majority of sites located on tracks
Archaeological Consultancy Services Pty Ltd	2008	Red Cliffs-Koorlong Sewer Rising Main, Northwest Victoria: Complex Cultural Heritage Management Plan	<p>Conducted:</p> <ul style="list-style-type: none"> Test excavation conducted <p>Results:</p> <ul style="list-style-type: none"> No archaeological sites identified

Cultural Heritage Sensitivity

The north of the Activity Area has at least two ephemeral Aeolian based lake systems (also called playa lakes) common in the north west of Victoria. Aeolian lake systems are areas of high archaeological sensitivity and cultural value to local Aboriginal communities. Common site types around these systems include camp sites (hearths, artefact scatters, middens) and burials. They also may be associated with Dreaming stories. These landform features have been identified as cultural heritage sensitive areas for the purposes of the *Aboriginal Heritage Act*. A mandatory CHMP is required for the Activity Area if it includes these areas.

Aboriginal Heritage Due Diligence Assessment

The following Due Diligence Assessment elucidates the assessment process delineated in the OAAV's *Aboriginal Heritage Planning Tool*, in compliance with the Act and the Regulations (Section 1). The online *Aboriginal Heritage Planning Tool* assessment was completed on 9 November 2015, and the results are provided below.

Aboriginal Heritage Planning Tool Responses

Is the proposed activity, or all of the proposed activities, exempt?

Under Regulation 7, a number of activities are defined as exempt from requiring a CHMP. Exempt activities pertain largely to domestic dwellings, alterations to existing buildings, the construction of jetties or works on the sea bed, and emergency works. As the Proposed Activity involves the construction of a major raceway facility and associated infrastructure, it is not an exempt activity.

Is the activity a high impact activity?

Division 5 of the Regulations defines a series of activities as being 'high impact activities' and as requiring a CHMP. Regulation 43 specifies a number of building types as being high impact activities, including the construction and use of warehouses. As the Proposed Activity involves the construction of raceway facility and associated infrastructure, it is a high impact activity.

Is the activity for or associated with a purpose for which the land was being lawfully used prior to 28 May 2007?

Division 5 (3) of the Regulations states that an activity is not a high impact activity if it is associated with a land use that pre-dates the Regulations. The Proposed Activity is a new development, and a new land use for Activity Area, and hence remains a high impact activity as defined in Division 5.

Does your activity include significant ground disturbance?

Under Part 1 of the Regulations, significant ground disturbance is defined as disturbance of topsoil, surface rock layer or waterway by machinery during grading, excavating, digging, dredging or deep ripping. As the Proposed Activity involves the construction of a raceway and associated infrastructure, it will include significant ground disturbance.

Does your activity area include a registered cultural heritage place (regardless of significant ground disturbance) or areas of cultural heritage sensitivity that have not previously been subject to significant ground disturbance?

Division 3 of the Regulations defines areas of cultural heritage sensitivity as being registered heritage sites, areas 50m around registered heritage sites (provided they are not significantly disturbed), and landscape features such as waterways, prior waterways and the 200m surrounding these features (provided they are not significantly disturbed).

A search of the ACHRIS database indicates that there are no registered Aboriginal heritage sites in the Activity Area 0. There are culturally sensitive landscapes within 200m of the Activity Area, these being the lunette features in the north of the Activity Area. Lunettes have long been recognised as being 'hotspots' of Aboriginal activity with archaeological and cultural sites including artefacts scatters, hearths, middens, scarred/ring trees, burials and sacred sites.

Refinement of the Activity Area to exclude these sensitive areas would reduce the requirement to conduct a mandatory CHMP, however due to the potential for additional archaeology within the study area, a voluntary CHMP would be recommended. As no RAP has been identified for the area, the CHMP would be assessed by OAAV.

Management Recommendations

The above assessment indicates that if the Activity Area is kept as the full Block H area, then a mandatory CHMP would be required. Reduction of the Activity Area to exclude the areas of cultural heritage sensitivity will negate the need to develop a mandatory CHMP, however because of the nature of the proposed impacts and potential for additional archaeological sites, it is recommended that a voluntary CHMP is undertaken to eliminate risk for Mildura Rural City Council and eliminate delays should unexpected finds be identified during construction. In the absence of a CHMP, the following mitigation measures are also recommended to be implemented should initial works (geotechnical investigation etc.) be required.

Discovery of Aboriginal Cultural Heritage

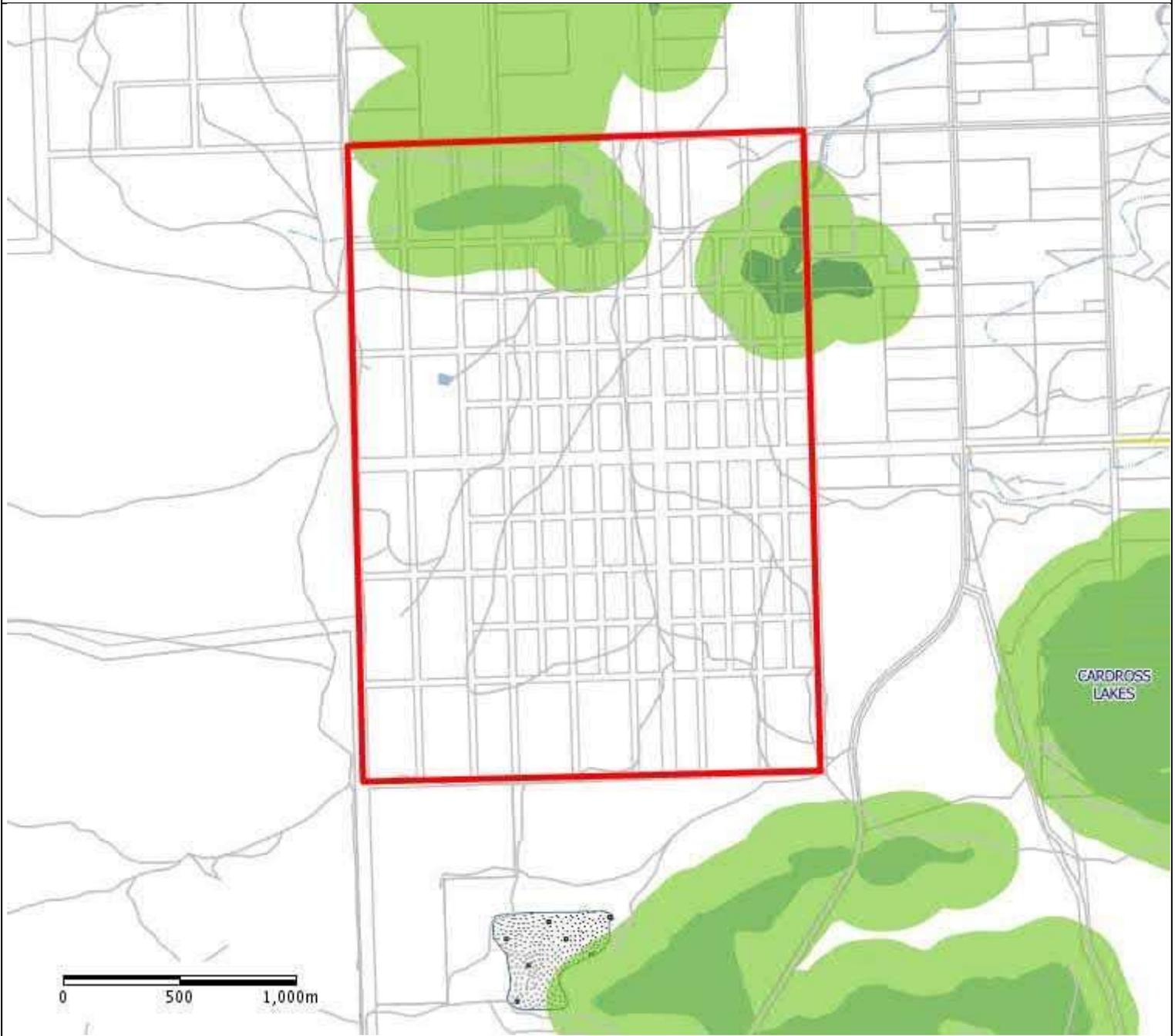
If an object of potential Aboriginal cultural heritage value is uncovered:

- All work to cease within 5 metres of the suspected find, and the area to be cordoned off
- Site Supervisor to be notified who will then engage a Cultural Heritage Advisor to assess the find and recommend any necessary management measures
- Site Supervisor or Cultural Heritage to notify OAAV using the proscribed form (see attached). http://www.dpc.vic.gov.au/images/documents/Aboriginal_Affairs/Preliminary-Report-Form-160810.pdf
- If the find is determined to be of Aboriginal origin, work is not to recommence in the vicinity of the find until permission is given by OAAV.

Discovery of Human Remains

If any suspected human remains are discovered during any activity works, all activity in the vicinity must cease immediately. The remains must be left in place and protected from harm or damage. The Victoria Police and the State Coroner's Office must be notified immediately. If there is reasonable grounds to believe the remains could be Aboriginal, the State Control Centre must be notified on 1300 888 544.

Office of Aboriginal Affairs Victoria
Cultural Heritage Sensivity



Aboriginal Places		Historical References		Archaeological Reports	
▲ Ark Site	A. Burial	■ 1850s-1900s	70. Pastoral or MFU	71. CAMB	■ In Progress
▲ Burial Mound	▲ 1. Other Cultural Sites	■ 1900s-1950s	72. Victoria for Sale	72. Unexcavated	■ Excavated (1900-1940)
▲ Burial Mound (1850-1900)	▲ 2. Other Cultural Sites	■ 1950s-1980s	73. Periodic	73. Excavated (1900-1940)	■ Excavated (1940-1980)
▲ Burial Mound (1900-1950)	▲ 3. Other Cultural Sites	■ 1980s-2000s	74. Established by Plans	74. Excavated (1980-2000)	■ Excavated (2000-2015)
▲ Burial Mound (2000-2015)	▲ 4. Other Cultural Sites	■ 2000s-Present	75. Other Cultural Sites	75. Excavated (2000-2015)	■ Excavated (2015-Present)
▲ Burial Mound (2015-Present)	▲ 5. Other Cultural Sites	■ 2015-Present	76. Other Cultural Sites	76. Excavated (2015-Present)	■ Excavated (2015-Present)
▲ Burial Mound (2015-Present)	▲ 6. Other Cultural Sites	■ 2015-Present	77. Other Cultural Sites	77. Excavated (2015-Present)	■ Excavated (2015-Present)
▲ Burial Mound (2015-Present)	▲ 7. Other Cultural Sites	■ 2015-Present	78. Other Cultural Sites	78. Excavated (2015-Present)	■ Excavated (2015-Present)
▲ Burial Mound (2015-Present)	▲ 8. Other Cultural Sites	■ 2015-Present	79. Other Cultural Sites	79. Excavated (2015-Present)	■ Excavated (2015-Present)
▲ Burial Mound (2015-Present)	▲ 9. Other Cultural Sites	■ 2015-Present	80. Other Cultural Sites	80. Excavated (2015-Present)	■ Excavated (2015-Present)
▲ Burial Mound (2015-Present)	▲ 10. Other Cultural Sites	■ 2015-Present	81. Other Cultural Sites	81. Excavated (2015-Present)	■ Excavated (2015-Present)
▲ Burial Mound (2015-Present)	▲ 11. Other Cultural Sites	■ 2015-Present	82. Other Cultural Sites	82. Excavated (2015-Present)	■ Excavated (2015-Present)
▲ Burial Mound (2015-Present)	▲ 12. Other Cultural Sites	■ 2015-Present	83. Other Cultural Sites	83. Excavated (2015-Present)	■ Excavated (2015-Present)
▲ Burial Mound (2015-Present)	▲ 13. Other Cultural Sites	■ 2015-Present	84. Other Cultural Sites	84. Excavated (2015-Present)	■ Excavated (2015-Present)
▲ Burial Mound (2015-Present)	▲ 14. Other Cultural Sites	■ 2015-Present	85. Other Cultural Sites	85. Excavated (2015-Present)	■ Excavated (2015-Present)
▲ Burial Mound (2015-Present)	▲ 15. Other Cultural Sites	■ 2015-Present	86. Other Cultural Sites	86. Excavated (2015-Present)	■ Excavated (2015-Present)
▲ Burial Mound (2015-Present)	▲ 16. Other Cultural Sites	■ 2015-Present	87. Other Cultural Sites	87. Excavated (2015-Present)	■ Excavated (2015-Present)
▲ Burial Mound (2015-Present)	▲ 17. Other Cultural Sites	■ 2015-Present	88. Other Cultural Sites	88. Excavated (2015-Present)	■ Excavated (2015-Present)
▲ Burial Mound (2015-Present)	▲ 18. Other Cultural Sites	■ 2015-Present	89. Other Cultural Sites	89. Excavated (2015-Present)	■ Excavated (2015-Present)
▲ Burial Mound (2015-Present)	▲ 19. Other Cultural Sites	■ 2015-Present	90. Other Cultural Sites	90. Excavated (2015-Present)	■ Excavated (2015-Present)
▲ Burial Mound (2015-Present)	▲ 20. Other Cultural Sites	■ 2015-Present	91. Other Cultural Sites	91. Excavated (2015-Present)	■ Excavated (2015-Present)
▲ Burial Mound (2015-Present)	▲ 21. Other Cultural Sites	■ 2015-Present	92. Other Cultural Sites	92. Excavated (2015-Present)	■ Excavated (2015-Present)
▲ Burial Mound (2015-Present)	▲ 22. Other Cultural Sites	■ 2015-Present	93. Other Cultural Sites	93. Excavated (2015-Present)	■ Excavated (2015-Present)
▲ Burial Mound (2015-Present)	▲ 23. Other Cultural Sites	■ 2015-Present	94. Other Cultural Sites	94. Excavated (2015-Present)	■ Excavated (2015-Present)
▲ Burial Mound (2015-Present)	▲ 24. Other Cultural Sites	■ 2015-Present	95. Other Cultural Sites	95. Excavated (2015-Present)	■ Excavated (2015-Present)
▲ Burial Mound (2015-Present)	▲ 25. Other Cultural Sites	■ 2015-Present	96. Other Cultural Sites	96. Excavated (2015-Present)	■ Excavated (2015-Present)
▲ Burial Mound (2015-Present)	▲ 26. Other Cultural Sites	■ 2015-Present	97. Other Cultural Sites	97. Excavated (2015-Present)	■ Excavated (2015-Present)
▲ Burial Mound (2015-Present)	▲ 27. Other Cultural Sites	■ 2015-Present	98. Other Cultural Sites	98. Excavated (2015-Present)	■ Excavated (2015-Present)
▲ Burial Mound (2015-Present)	▲ 28. Other Cultural Sites	■ 2015-Present	99. Other Cultural Sites	99. Excavated (2015-Present)	■ Excavated (2015-Present)
▲ Burial Mound (2015-Present)	▲ 29. Other Cultural Sites	■ 2015-Present	100. Other Cultural Sites	100. Excavated (2015-Present)	■ Excavated (2015-Present)



Produced by the Victorian Aboriginal
Heritage Register
(VAHR) for
AECOM



Date: 11 December
2015



1:25,000

This document contains culturally sensitive information concerning the heritage of Victoria's Aboriginal communities, and cannot be included in any reports resulting from research associated with this document. This information is accurate at the date of production. However, the State of Victoria and its employees do not guarantee that the information in this document is without flaw of any kind or is wholly appropriate for your particular purposes and therefore disclaims all liability for any error, loss or other consequence which may arise from you relying on this information.

Appendix K

Site masterplan

The project options identified in the Business Case include four distinct options. Option 5 is a staged option containing all the elements in Option 4 but to be developed in a stage manner over four stages:

The staged development plan shows stage 1 which incorporates stages or Project Options 1-3 as per table below.

Stage 4 of the stage development plan shows the full master plan in an instant development or staged scenario.

Project Option 1	Project Option 2	Project Option 3	Project Option 4	Project Option 5
<ul style="list-style-type: none"> • Bitumen race track • Skid pan • Pits and control tower • Office facilities • Maintenance shed • Camping facilities • Food and beverage 	Includes Project Option 1 as well as: <ul style="list-style-type: none"> • Fuel facility • Lighting • Vehicle handling area 	Includes Project Option 2 as well as: <ul style="list-style-type: none"> • Function space • Permanent and temporary seating • Garages and workshops 	Includes Project Option 3 as well as: <ul style="list-style-type: none"> • Jet ski course • Additional circuits (go karts, speedways, dirt cart, drifting) 	<ul style="list-style-type: none"> • Bitumen race track • Skid pan • Pits and control tower • Office facilities • Maintenance shed • Camping facilities • Food and beverage • Fuel facility • Lighting • Vehicle handling area • Permanent and temporary seating • Garages and workshops • Function space • Jet ski course • Additional circuits (go karts, speedways, dirt cart, drifting)

Full Master Plan

Mildura Sports and Community Precinct

2nd February, 2017

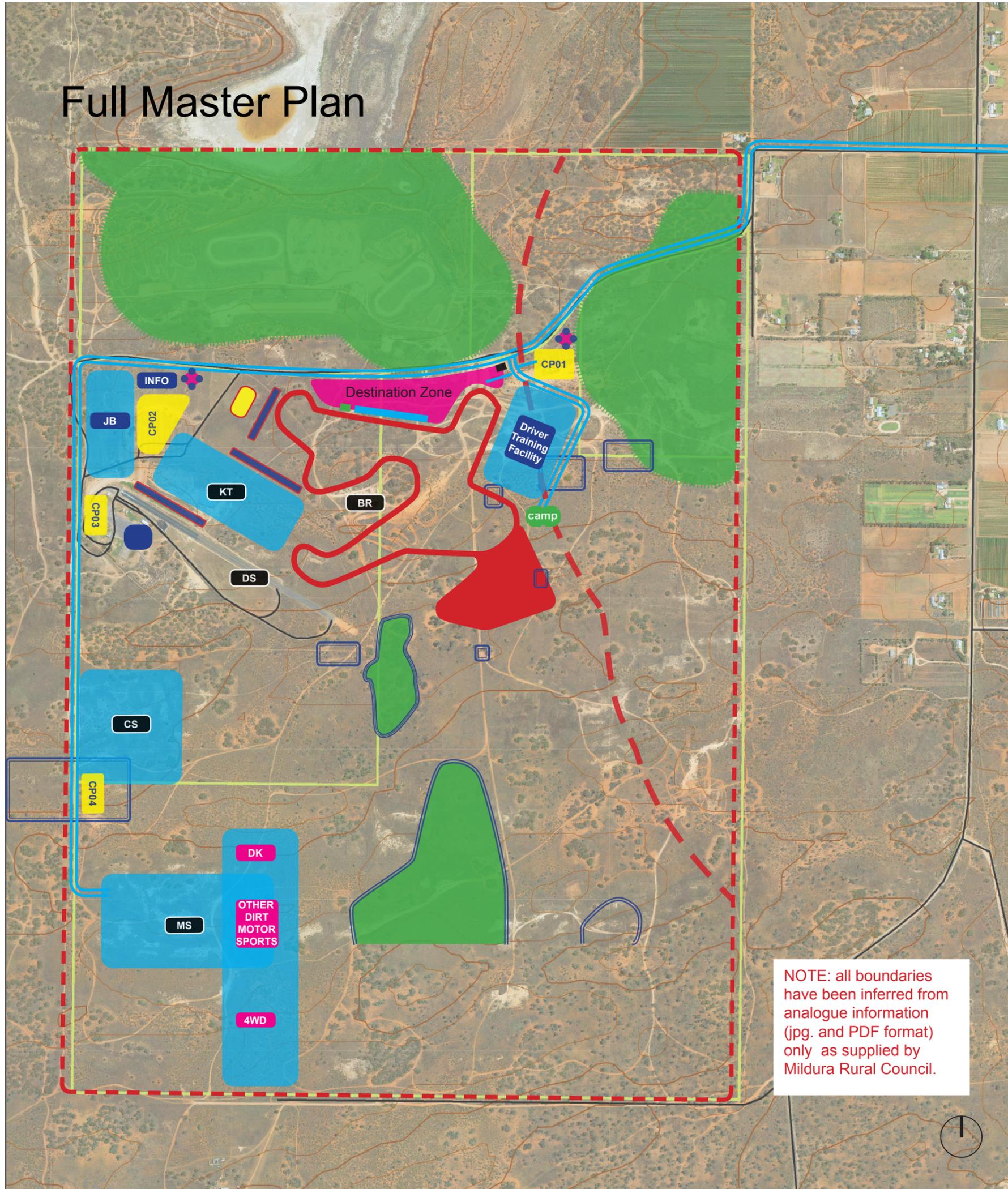
Version 22

Key

-  Skid Pan
-  Destination Zone (*Pits, Paddock, Tower, Administration, Medical Room, Function Centre, Product Launch Area, Garages, Fuel Store, Maintenance, CWS*)
-  Track Expansion Area
-  Temporary Seating
-  Pits
-  Tower
-  Managers Quarters
-  Drag Pit Provision and Camping Area
-  INFO Visitor Information
-  CP00 Car Parking
-  camp Camping
-  BR Bitumen Racing Circuit
-  DS Drag Strip (Existing)
-  JB Jet Boat Water Course
-  CS Car Speedway
-  MS Motorcycle Speedway
-  KT Karting Track
-  DK Dirt Kart Circuit
-  4WD 4WD Training Course
-  Primary Road
-  Major Entry Wayfinder
-  Zone of Cultural Heritage Significance
-  Zone of Ecological Significance
 -  - EPBC Significance
 -  - Rare or Threatened
 -  - High Quality
-  1Km Noise Residential Buffer

NOTE: all boundaries have been inferred from analogue information (jpg. and PDF format) only as supplied by Mildura Rural Council.

Meters



Stage One of Master Plan

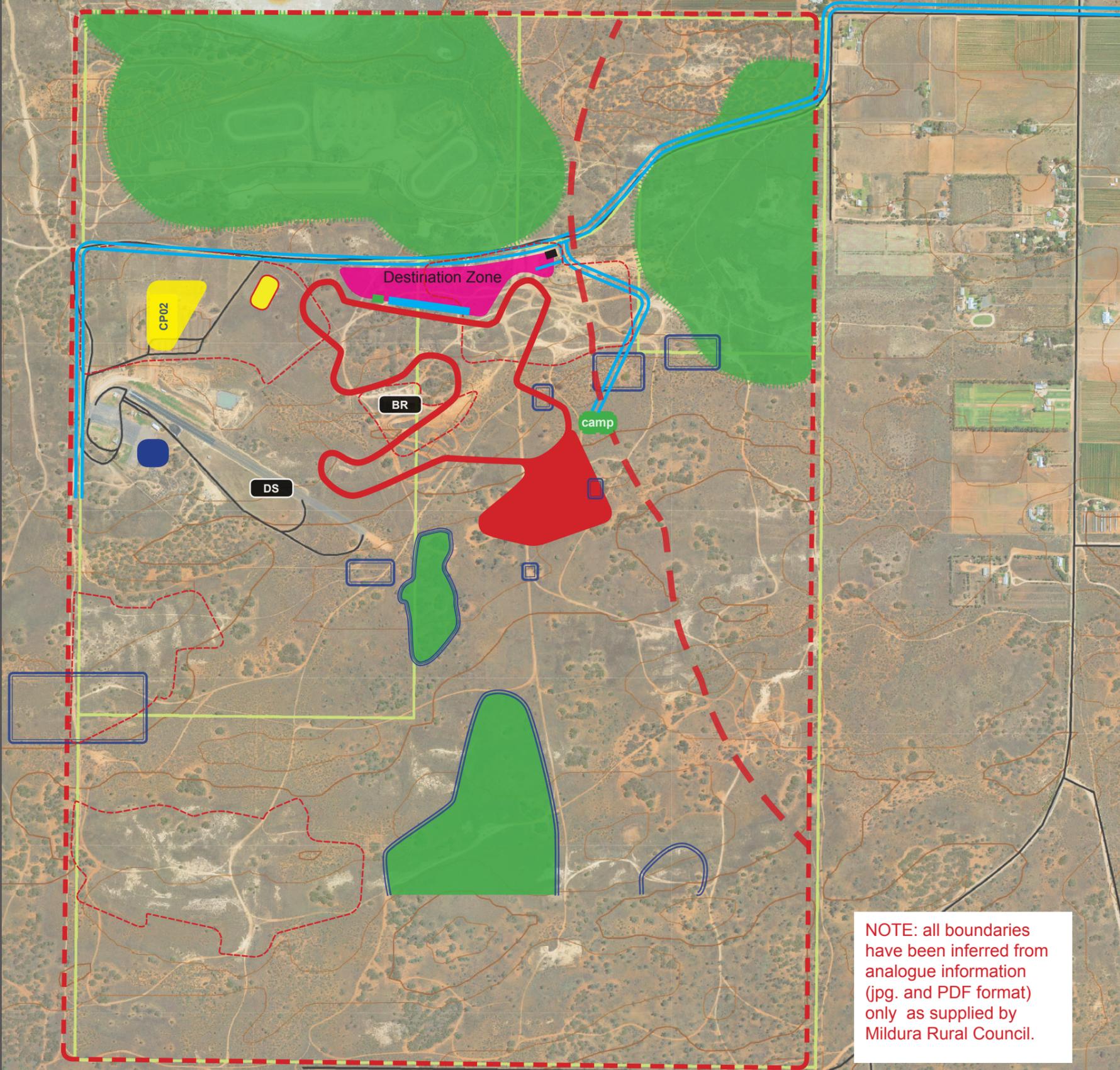
Mildura Sports and Community Precinct

2nd February, 2017

Version 22

Key

-  Skid Pan
-  Destination Zone (*Pits, Paddock, Tower, Administration, Medical Room, Function Centre, Product Launch Area, Garages, Fuel Store, Maintenance, CWS*)
-  Pits
-  Tower
-  Drag Pit Provision and Marshalling Area
-  Track expansion area
-  CP00 Motorsport parking
-  camp
-  BR Bitumen Racing Circuit
-  DS Drag Strip (existing)
-  Primary Road
-  Zone of Cultural Heritage Significance
-  Zone of Ecological Significance
 - EPBC significance
 - Rare or threatened
 - High quality
-  1Km noise residential buffer



NOTE: all boundaries have been inferred from analogue information (jpg. and PDF format) only as supplied by Mildura Rural Council.



Racetrack and Barriers

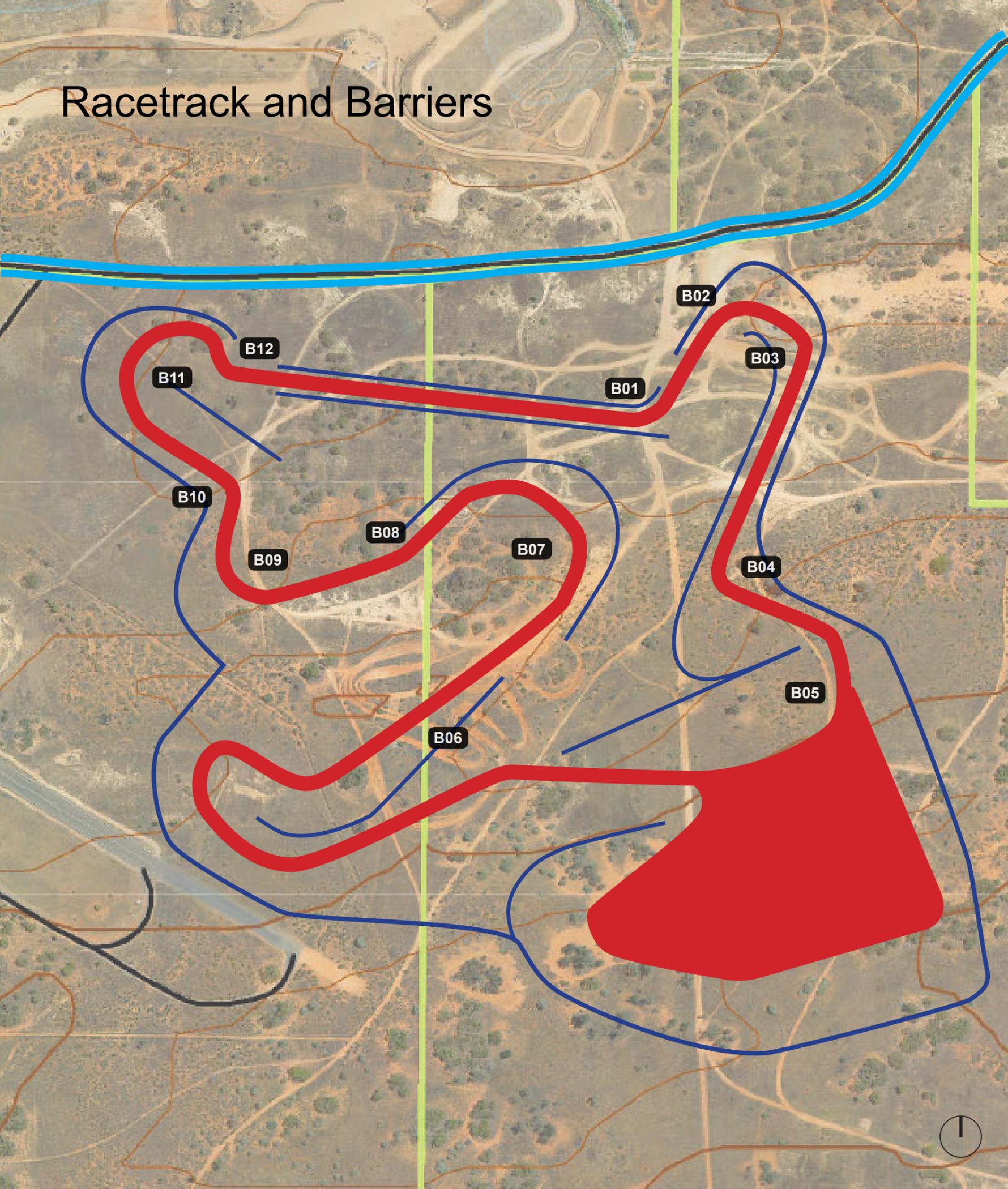
Mildura Sports and Community Precinct

2nd February, 2017

Version 22

Key

-  Primary Road
-  Track Expansion Area
-  Barriers
-  Fencing



Meters

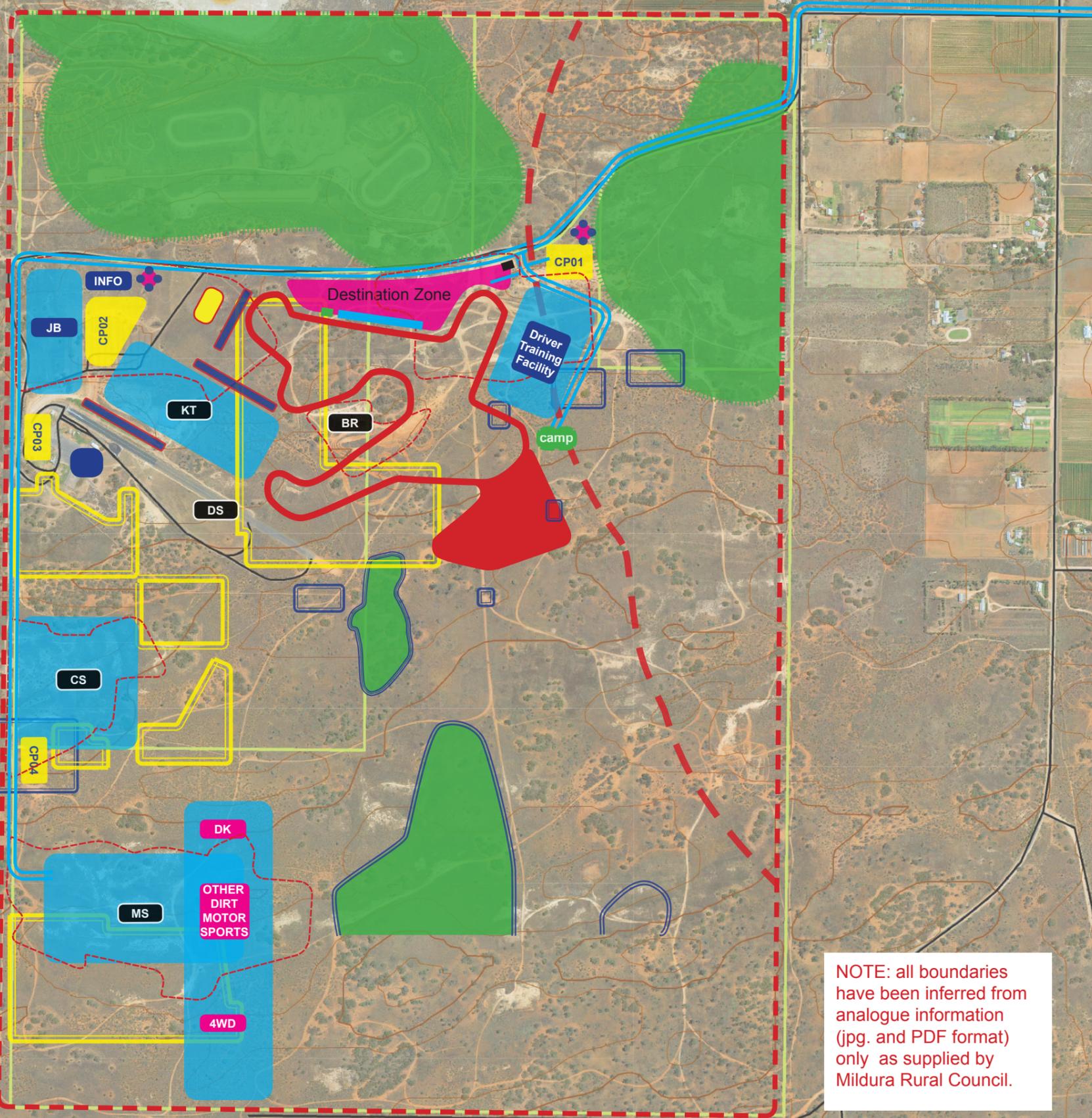


Full Master Plan

Mildura Sports and Community Precinct

2nd February, 2017

Version 22



Key

-  Skid Pan
-  Destination Zone (*Pits, Paddock, Tower, Administration, Medical Room, Function Centre, Product Launch Area, Garages, Fuel Store, Maintenance, CWS*)
-  Track Expansion Area
-  Temporary Seating
-  Pits
-  Tower
-  Managers Quarters
-  Drag Pit Provision and Marshalling Area
-  Visitor Information
-  Car Parking
-  Camping
-  Bitumen Racing Circuit
-  Drag Strip (Existing)
-  Jet Boat Water Course
-  Car Speedway
-  Motorcycle Speedway
-  Karting Track
-  Dirt Kart Circuit
-  4WD Training Course
-  Primary Road
-  Major Entry Wayfinder
-  Zone of Cultural Heritage Significance
-  Zone of Ecological Significance
 -  - EPBC Significance
 -  - Rare or Threatened
 -  - High Quality
-  NVIM High Risk Vegetation
-  1Km Noise Residential Buffer

NOTE: all boundaries have been inferred from analogue information (jpg. and PDF format) only as supplied by Mildura Rural Council.



Appendix L

Community engagement sessions

The Draft Business Case for the Mildura Motor sports and Community Precinct was presented to the Industry Reference Group and key stakeholders on 9 November 2016, with community engagement sessions concluding 23 November.

Engagement sessions were held in Mildura and Koorlong and included 'Community Presentation' where a facilitator took the attendees through a presentation on the key points within the business case document. Alternatively community members could attend a community 'Drop In' session, where public could call in at any time (within time allocated) and speak with council staff about the project informally.

168 people attended engagement sessions over this period.

While only written feedback was recognized in submissions, general verbal feedback for the proposed project during this time was heavily supported with only 2 people voicing their opposition.

- Engagement Sessions Included;
- Industry Reference Group and Key Stakeholders- 3 presentations
- Community
 - 3 presentations
 - 3 'Drop In' sessions.

The table below indicates written feedback received following community consultation together with the associated responses.

Type of submission	Responses	Feedback received	Council response
Letters of support	4	Submission letters received in support for the project.	Letters noted, with two letters of support within Appendix one of the Business Case.
Education and employment opportunities	1	Agrees that it is appropriate that the Business Case should consider options to improve education and employment outcomes from this project.	Noted, no suggested change to the Business Case.
Master plan changes	1	Error in 'key' to stage one Master Plan, Austlink name change to Driver Training Facility.	Appropriate feedback, amendments made to the Master Plan within the Business Case.
		Naming of facilities on Master Plan and suggested changes to the track layout.	No suggested change to the Business Case, Confederation of Australian Motor Sports (CAMS) and Motorcycling Australia designed track layout with local motor sports drivers/riders.
		Car parking within the Master Plan appears limited.	No suggested change to Business Case, feedback provided by motor sports and CAMS and Motorcycling Australia, with sharing of parking facilities proposed for events. Allocation of parking may change in the future.
Environmental	2	The need to consider an on-going carbon off-set scheme within the Business Case document.	No suggested change to the Business Case. Not within the scope or Department of Treasury and Finance (DTF) Guidelines.

Type of submission	Responses	Feedback received	Council response
			Council is not looking to own the facility however, this is relevant information for an investor in the future if this is to go ahead. Project Control Group (PCG) acknowledge its importance but not required in this Business Case.
		Council should consider changing the proposed area for the motor sport precinct to an area which does not require removal of native vegetation.	No suggested change to the Business Case. Council has completed additional environmental studies at the site plan where motor sports may be best placed to reduce the effects to vegetation where possible.
Investment Opportunities	1	Superannuation Funds should be considered as an opportunity to invest in the project.	Amendment to the Business Case to include the opportunity for super funds to invest.
Verification of data	2	Difficulty in being able to quantify data provided, especially in regard to tourism information and tourism benefits articulated in the Business Case.	No suggested changes to document. Information in document is referenced, consultants are highly qualified economists and aquarists. Tourism information has been sourced by Mildura Tourism and Murray Regional Tourism Board and further evidence to support by CAMS and Motorcycling Australia.
		Updated data is available for some graphs within the problem definitions.	Changes to the Business Case will be made with updated data.
		Proposed changes to facility options.	No suggested change to the document. Options have been developed in consultation with Industry Reference Group which includes motor sports clubs, CAMS and Motorcycling Australia to suit requirements.
		Proposed investment in other projects and the site.	No suggested changes. This is not relevant to the Business Case and does not form part of the scope.

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Appendix M

Preliminary Biodiversity Assessment



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Appendix N

Engineering Report

Appendix O

Sign-off checklist

Appendix O Sign-off checklist

Investment title: Agency:	Y/N
Is the need clearly established (e.g. investment concept brief)?	Y
Are the links to government policy(ies) and contributions explicit?	Y
Is there a clear statement of the service benefits and project scope and are future implications noted?	Y
Are cost estimates provided for capital and operational phases?	Y
Have cost and risk estimators signed off on the adequacy of their work?	Y
Is the project budget including the base cost estimate, risk assessment, base risk allocation and contingency adequate?	Y
Do cost and benefit estimates and analyses show value for money?	Y
Are the project deliverables clearly stated?	Y
Is a benefit management or evaluation plan included?	Y
Are risk management processes in place and assumptions stated?	Y
Does the proposal assess the project schedule and readiness (including market appetite)?	Y
Are governance structures identified?	Y
Are stakeholder interfaces detailed?	Y
Are regulatory requirements identified?	Y
Is the project High Value/High Risk?	N
Have Gateway reviews been undertaken? Gate 1	N
Gate 2	N

Prepared by: Date:

Approved by: Date:

.....
 (name of approving officer or delegate) (title)

Secretary: Date: