

# MILDURA MOTORSPORTS AND COMMUNITY PRECINCT

## Expression of Interest for Private Investment

August 2018

# THE OPPORTUNITY

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Mildura Rural City Council is seeking Expressions of Interest (EOIs) from suitably qualified, experienced and interested parties to invest in its Mildura Motorsports and Community Precinct.

The Mildura Motorsports and Community Precinct aims to bring together the key motor sports functions across the Mildura region to one home, leveraging our rich and diverse history of motor sports to develop what promises to be the most exciting motor sport project in the country.

For this project to be realised, Council envisages a public/private partnership will be required. Council is therefore seeking interest from relevant individuals or organisations who may be interested in working in partnership with us to help realise Stage 1 of the Mildura Motorsports and Community Precinct and the broader development in the coming years.

A two-step process has commenced to identify partnership opportunities to deliver the project. The first step is a call for Expressions of Interest, which will be followed by a future request for more detailed proposals.

This project is one of four key projects that form part of Council's exciting Mildura Future Ready Funding and Advocacy Strategy, which is a dynamic plan to secure investment in major infrastructure projects that will diversify our region's economy and enhance community wellbeing. Further information on Mildura Future Ready is available on Council's [website](#).





# THE VISION

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In 2011, Mildura Rural City Council joined with Swan Hill Rural City Council to develop a North-West Victorian Motor Sports Feasibility Study. This study recommended co-location of nine of Mildura's current motor sport clubs and facilities onto a single site, along with a recommendation to develop a bitumen raceway, skidpan and associated infrastructure.

In 2016, Mildura Rural City Council completed a full and detailed Business Case for the Mildura Motorsports and Community Precinct. The Business Case developed a masterplan for the entire project, and recommended a staged development plan. The full masterplan includes:

- 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 centre
- Jet boat course
- Additional circuits (go-carting, speedways, dirt kart and other dirt-based motorsports).

The full Business Case for the Mildura Motorsport and Community Precinct (minus confidential appendices) is available on Council's [website](#). The confidential appendices are available to prospective investors upon signing of a confidentiality agreement by contacting Council (refer contact details below).

Eventually, the Mildura Motorsports and Community Precinct will be able to host the most unique and diverse range of motor sport events at a single site in Australia, as well as becoming an important multi-use facility for training, tourist and community events.



# STAGE 1

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Stage 1 is an estimated \$22m development that will include:

- A sealed 3km road circuit (with potential for expansion)
- A multi-use skid pan measuring 100m x 45m
- Pits and a control tower
- Office facilities
- Maintenance/wash-down shed
- Food and beverage facilities
- Parking area
- Camping site.

Stage 1 of the Mildura Motorsports and Community Precinct will create 324 jobs and \$162m in economic benefits to the Mildura region over 30 years.

## THE LOCATION

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Mildura is a regional hub located within the tri-state region of Victoria, New South Wales and South Australia, and has a population of over 2,000,000 within a 400 km radius.

The proposed location of the precinct is at Koorlong, located just 15 minutes from Mildura's town centre. This is a 557 hectare site owned by Council, with the exception of a grid of closed road reserves (Crown Land) where Council is the Committee of Management and has commenced the process to acquire this land from the State Government.

## THE MOTORSPORT COMMUNITY

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Mildura has a rich history and involvement with motorsport. In fact, motorsport participation in Mildura is estimated to be four times the national average. In our community, there are already more than 100 motorsport events held in the region each year, attracting a significant number of visitors and contributing an estimated \$21.4 million to the local economy each year.

There are currently nine Mildura-based motor sport clubs, each of which manage their own facilities. Two of these clubs are already located at the proposed site, and other clubs and facility operators are fully supportive and, where appropriate, have committed to move to the precinct at the completion of their current lease arrangements, including:

- Mildura Kart Club
- Mildura Speedway Drivers Club
- Mildura Motorcycle Club

Letters of support are available within the full Business Case.

In addition to opportunity for co-location, Mildura Motorsport and Community Precinct will see the addition of a bitumen raceway and skidpan, along with associated infrastructure.

# THE INVESTMENT

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Council has developed an investment prospectus which outlines the partnership and investment opportunity available, as well as providing more detailed information about Stage 1. The investment prospectus is available on Council's [website](#). Interested individuals or organisations should review this prospectus and undertake their own due diligence in relation to the opportunity.

The exciting business and investment opportunity available will be commensurate with the amount of the investment proposed. In this first stage, we are seeking initial interest and are open to varying amounts and models of investment to deliver this exciting project. The second stage of the process will request more detailed information about proposed business and investment models. Council is also open to partnerships with multiple individuals or entities.

The investment prospectus provides detail of estimated returns on investment, which suggests a project return on investment from the first year. This will be dependent on the level of investment and finance costs (if applicable). Importantly, the conservative operating model which is presented in the business case indicates operating revenues in excess of \$23 million, and an operating surplus of nearly \$8M over 30 years (at net present value).

It is anticipated that this project will require a public/private partnership, unless there is interest from an investor to fully fund the project. This means that government funding will be required for this project to proceed.

Mildura Rural City Council has committed \$2 million in funding towards the \$22 million Stage 1 development. The balance of funding is currently being sought from private investment and State and Federal governments. Council is presently advocating for government support as part of Mildura Future Ready (MFR).



# THE PROPOSAL

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Mildura Rural City Council is seeking to partner with interested individuals and organisations to develop this exciting project.

Expressions of Interest are invited using the MMCP EOI Application Form (or an alternative format which includes, as a minimum, the information requested in the Application Form). Responses should address the following criteria:

- Your vision for this project – 15%
- Capacity, capability and experience relevant to this opportunity – 25%
- Proposed partnership model including indicative investment amount – 40%
- Proposed governance or management structure – 10%
- An understanding of Mildura and relevant local partnerships – 10%

This Expression of Interest is the first in a two-stage process. The intention of this stage is to seek initial interest from relevant parties in this opportunity. In the second stage, Council may approach any or all respondents and request more detailed submissions, or to enter further discussions with Council in relation to a partnership approach.

## **Lodgement**

Responses to this Expression of Interest should be submitted by email to [mrcc@mildura.vic.gov.au](mailto:mrcc@mildura.vic.gov.au) or via hard copy by mail to:

EOI – MMCP Stage 1  
Mildura Rural City Council  
PO Box 150  
MILDURA VIC 3502

## **Enquiries**

For all enquiries in relation to this process, please contact:

Kate Henschke  
Events & Projects Coordinator  
Telephone: (03) 5018 8418  
Email: [kate.henschke@mildura.vic.gov.au](mailto:kate.henschke@mildura.vic.gov.au)



# THE CONDITIONS

Your information and any information about your organisation or individuals submitted to the Mildura Rural City Council is confidential and is protected by the Mildura Rural City Council code of conduct. Mildura Rural City Council will ensure your information is kept confidential.

Your privacy, and the privacy of your organisation will be protected. Mildura Rural City Council is gathering your information for the sole purpose of assessing EOI responses. It will be viewed by the Mildura Rural City Council evaluation panel solely for the EOI process and no other purpose. Mildura Rural City Council will make every effort to protect your privacy.

This request for an EOI is the first stage of a potential two stage process in identifying private investment opportunities for the Mildura Motorsports and Community Precinct. The objective of the EOI is to invite individuals and organisations interested in partnering with Council to express their interest.

A panel of representatives from Mildura Rural City Council will appraise EOI responses. Mildura Rural City Council may then undertake a second process with any or all of the respondents.

Council reserves the right to:

- Accept a submission in whole or in part
- Reject or not proceed with this process
- Negotiate with any one or more respondents and allow any respondent to change its submission
- Cancel the EOI process
- Proceed other than as contemplated by this EOI process
- Not proceed with this process or works contemplated by this process.

The submission of a response to this EOI will not give rise to any contract governing, or in any way concerning, the EOI process, or any aspect of the EOI process for any contract. Council expressly disclaims any intention to enter into any such contract. No legal or other obligation will exist between the preferred, or any respondent, and the Council unless formal legal documents and/or contracts are agreed and executed between the parties.



# EXPRESSION OF INTEREST

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## 1. Your Details

Organisation/Individual Name:	
ABN (If Applicable):	
Address:	
Name of Contact Person:	
Position Title:	
Postal Address:	
Email:	
Website (if applicable):	
Contact Telephone Number/s:	

## 2. Your vision for the project

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## 3. Your capacity, capability and experience relevant to this opportunity. This may be business, financial or other relevant areas and should include some detail as to viability.

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**4. Please provide some detail of your proposed partnership model and information on an indicative investment structure or amount (if known). This can include financial or in-kind.**

**5. Please provide some high level detail of your proposed governance or management structure. You should also provide detail as to what (if any) you would have in either operating or managing this facility and/or components under your proposal.**

**6. Please provide detail of your understanding of Mildura and the relevance of this project. Please consider in your response what relevant local partnerships exist or may need to be created to create your vision.**

# CERTIFICATION

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(This must be included with your submission)

<p><b>"I/We (INSERT NAME):</b></p> <p><b>ABN (if applicable):</b></p> <p><b>Telephone:</b></p> <p><b>Email</b></p> <p><b>agree to be bound by and comply with the conditions of submitting this Expression of Interest.</b></p> <p><b>I/We acknowledge that this Bid and the information in it is valid for a period of 90 days from the submission date.</b></p> <p><b>I/We acknowledge that Mildura Rural City Council may seek clarification of any matter contained in the submission, may require additional information to be provided.</b></p> <p><b>I/we acknowledge that all the information provided in the submission is accurate. In signing this I/we acknowledge that I/we can bind the organisation to this submission and, agree that Mildura Rural City Council is not bound to any particular course of action and Mildura Rural City Council will not be liable for any action as a result of this process.</b></p>	
<b>Name</b>	
<b>Position</b>	
<b>Signature</b>	
<b>Date Lodged</b>	