



BUSINESS CASE

Bindoon Mountain Bike Park



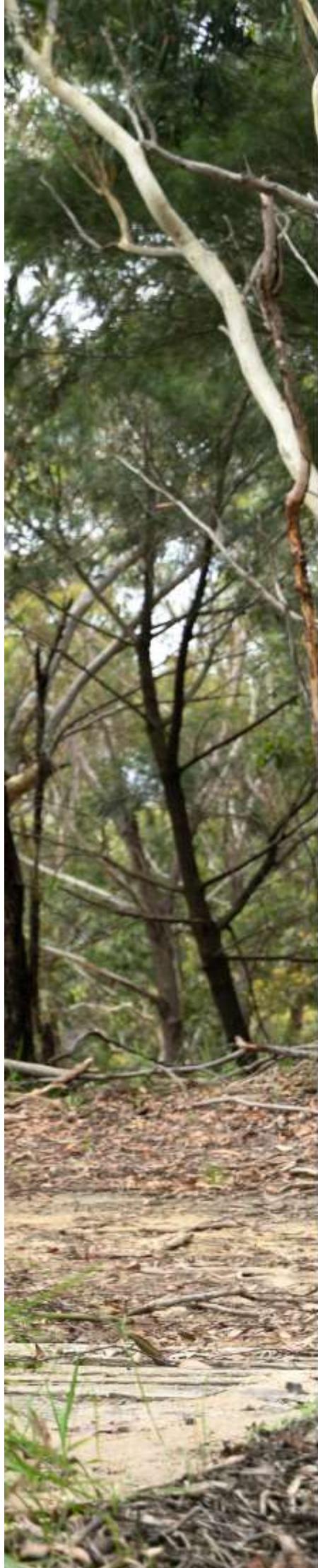


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1 EXECUTIVE SUMMARY

The Shire of Chittering is situated amongst one of the most picturesque areas of Western Australia, offering a unique and diverse country lifestyle only one hour from Perth CBD. As a result, the Shire and one of its main towns, Bindoon, have become a popular place for people seeking a semi-rural lifestyle, resulting in a much higher than average population growth in the area.

Bindoon is the 4WD gateway to the North West, with wildflower walks and trails and a burgeoning adventure tourism industry, the Shire is becoming a drawcard to attract adventure tourists north, as well as an added stop for those on their way to visit the Mid West and Pilbara regions. However, Bindoon and the Shire of Chittering as a whole, lack a flagship tourist attraction or catalyst to make it a tourist destination as opposed to a stopover on the way north. This is particularly important to Bindoon, given the Bindoon Bypass that will take place as part of the Great Northern Highway roadworks and the need to capture visitors that will no longer be travelling through the town on their way elsewhere. It is also important in light of COVID19 impacts on the area and this project is identified as a part of the Shire's plan to mitigate the economic losses of both COVID-19, through the Shire's COVID-19 Economic Recovery Plan and the Bindoon Bypass.

The proposed project will create a mountain bike park in Bindoon with eight mountain bike trails (totalling 12,998m) ranging in difficulty from green to black and a large walking trail around the perimeter, as well as trail head hub with amenities for riders and visitors. This hub will later be expanded into a tourist park with camping and lodging sites.

The need for this project is centred around:

- The growing popularity of mountain biking and the inability of existing trails in WA to keep up with demand, as well as the lack of trails north of Perth
- The opportunity for WA to become a cycle tourism destination
- The opportunity for an urban mountain bike park to be placed in Bindoon, given the natural assets and proximity to the major population centre of Perth
- The need to grow tourism in Bindoon to address the impacts of COVID-19 and the pending economic downturn resulting from the construction of the Bindoon bypass road
- The link to the long term ecotourism intentions to make the Chittering Region an attractive cycle and trails destination, as part of the development of the tourism industry in this region
- The economic benefits that the project will deliver to Bindoon and the wider regional and national economy
- The environmental and social benefits of the project, particularly to users, in terms of health and wellbeing

A feasibility study conducted on this proposed project found that,

“The proposed development of a world-class adventure tourism attraction in Bindoon may significantly elevate the tourism status, overall brand awareness, and consumer market appeal to the Chittering Valley.”¹

This project will work with the other tourism offerings in the area, and the work currently being delivered by the Shire, to provide a compelling attraction for visitors.

Mountain biking is widely accepted as a growing sport that provides significant tourism potential. WestCycle, the peak industry body for cycling in Western Australia states,

‘The recent rapid rise of mountain biking now provides Western Australia with a unique opportunity to grow and evolve into a world-class mountain bike destination. This will support the growth and diversification of the state’s recreation sector and tourism industry whilst also securing meaningful economic and social outcomes for our local and regional communities’.²

¹ Bindoon Mountain Bike and Adventure Park Feasibility Study, Breakaway Tourism, 2019, Page 37

² Western Australian Mountain Bike Strategy 2015-2020, WestCycle, page 3

Currently, all mountain biking trails in Western Australia are located to the east and south of Perth. This project will deliver the **only** mountain bike park north of Perth. With its unique natural landscape and close proximity to both Perth and the food and wine district of the Swan Valley, this project provides the opportunity to combine with mountain bike offerings in the South West of WA to enhance WA as a cycle tourism destination, as well as to deliver significant benefits to the Shire of Chittering and the wider Wheatbelt region.

The project is in direct alignment with local, regional state and federal government strategies and has been the subject of detailed masterplanning, feasibility study, stakeholder consultation and detailed designs. The project is now shovel ready, with construction work expected to commence within 12 weeks of funding approval.

Based on an assessment of the current usage numbers of existing trails in the south of WA and AusCycling's report into the economic contribution of mountain biking, it is estimated this project will result in around 50,000 rides in the first year, increasing to around 100,000 rides annually.

A Cost Benefit Analysis (CBA) of the project completed by a qualified economic consulting firm identified a range of direct financial, economic and social benefits. The CBA found that the Benefit Cost Ratio for this project is over 5.0 at all discount rates (exceeding 8.0 at the 3% discount rate scenario and 6.0 at the 7% rate), which demonstrates the significantly high return on investment this project will deliver.

It will yield \$20.2 million in benefits under a 3% discount rate or \$14.1 million under the 7% discount rate, with the largest contributor to these benefits being WA Residential Social Value Benefits, accounting for 57% of the present value of benefits at the 7% discount rate. Interstate and International tourism direct expenditure benefits (27%) was next with WA Resident Expenditure Benefits (10%) third.

The CBA also assessed the number of jobs expected to be created, using only simple multipliers to make the assessment more conservative. It found that:

- A total of 6 direct and indirect jobs are estimated for the project, inclusive of, and stemming from construction.
- A projected \$0.7m of income is expected to stem from the construction of the project, with overall direct and indirect Gross Value Add projected to reach \$1.3m
- Post-construction, the project will stimulate a total of \$50.2m in Economic Output and over \$23.7m in Gross Value added over the 20 year assessment period.
- A total of 13.5FTE direct and indirect jobs are estimated as a result of the project ongoing.

The total project budget is \$2,029,223 (including \$127,500 in-kind), with \$760,689 or less than 40% being requested from Building Better Regions Fund (BBRF). The Shire has undertaken considerable community consultation and received overwhelming community support for this project, which is evidenced by a funding contribution commitment of \$48,000 being received from project partner Chittering Tourist Association. The Shire is also contributing over \$1 million, as well \$127,500 of in-kind contributions.

The Shire of Chittering has prepared a management plan for the Bindoon Mountain Bike Park, which the Shire will own and operate. The Shire will manage the facilities in the Bindoon Mountain Bike Park (Bike hire, kiosk and eventually caravan and camp site) and will look to manage incomes from other areas including commission from shuttle bus licences, sponsorship and donations for trail maintenance etc. Two FTE's will be directly employed to cover each other through busy periods on weekends and leave.

Upon securing all project funding, the Shire will release a public Request for Tender for the construction works, in line with the Shire's standard tendering processes and procurement legislation governing local government authorities in Western Australia.

2 PROJECT SCOPE AND EVALUATION

2.1 Project Needs Assessment

2.1.1 Background

The Shire of Chittering is situated amongst one of the most picturesque areas of Western Australia, offering a unique and diverse country lifestyle only one hour from Perth CBD. The Shire's administration centre is located in the town of Bindoon, situated on Great Northern Highway. Located in the northwestern portion of the Wheatbelt region, the main towns in the Shire include Bindoon, Chittering, Lower Chittering, Mooliabeenee, Muchea and Wannamal.

Bindoon and the Shire of Chittering are the 4WD gateway to the North West, with wildflower walks and trails and a burgeoning adventure tourism industry, the Shire is becoming a drawcard to attract adventure tourists north, as well as an added stop for those on their way to visit the Mid West and Pilbara regions. Many Perth residents travel north for the high quality four wheel driving and adventure recreation experiences that are available in the northern regions, with Bindoon's famous Bakehaus considered a must-stop location on the way.

The Shire encompasses 121,900 hectares of land, of which around 1,500 hectares is protected Nature Reserve and 1,965 hectares is State Forest³. Bindoon is the seat of government for the Shire and is just 93km north of Perth. As a peri-urban local government, the Shire of Chittering is experiencing a high population growth with an increase of 56.8% since 2005 (ABS 2015). The Shire accounted for 63 per cent of the Wheatbelt's total population growth over the 2006-2016 period⁴.

In 2016, there were 5,472 people in the Shire, which was an increase of 24.84% on 2011 and 1,183 people lived in Bindoon, which was up 11.28% on 2011⁵. Reports (Report 11) from the Department of Planning Lands & Heritage (DPLH) show that the growth trend for the Shire is set to continue with the Estimated Residential Population (ERP) for 2031 being as high as 7610; that is an increase of over 27 per cent from 2016. Given the Shire exceeded even the highest DPLH projections for 2016 population levels (Band E), it is not unreasonable to expect that growth may exceed the forecast 7,610 people by 2031.

Current and forecast population growth in Chittering is driven by its close proximity to Perth and a number of significant infrastructure developments:

- **NorthLink WA:** Northlink WA is a \$1.12 billion project and now provides a new transport link between Morley (Perth suburb) and Muchea. Northlink WA will provide a continuous connection from the Perth International Airport area to Muchea on the Great Northern Highway and improve Western Australia's freight efficiency by introducing an alternative north-south freight route connection.

As part of Northlink WA, a road train assembly area has been constructed near the new Brand Highway deviation at Muchea, which will provide a convenient access point for freight trucks. A number of identified industrial areas will also benefit from the increased access that the Northlink WA project provides, including the new Muchea Industrial Park. The project will deliver significant productivity benefits to the economy, industry, motorists and local communities⁶

- **Great Northern Highway – Muchea to Wubin.** The Great Northern Highway forms part of the National Highway Network and provides a strategic freight link between Perth and the State's north, as well as Darwin and the Northern Territory. The Muchea to Wubin \$347.8 million project

³ Mountain Bike Trails Masterplan, Shire of Chittering, page 10

⁴ Western Australian Planning Commission: Chittering Land Supply Assessment, June 2018

⁵ Bindoon Mountain Bike and Adventure Park Feasibility Study, Breakaway Tourism, 2019, Page 142

⁶ <https://project.mainroads.wa.gov.au/northlinkwa>

will improve the level of service and safety for road users along with access to the future Muchea livestock sale yards.

The freight link is also of key importance to the productivity in the mining sector in the north of WA with the project increasing freight efficiency, as well as improving travel times and access.

Once the project is completed, including the \$275m Bindoon Bypass (funding approved in May 2019) road trains of up to 53.5 metres will be able to travel almost 220 kilometres closer to Perth, decoupling their loads in Muchea⁷. The Bindoon Bypass is part of this overall upgrade, where three major arterial transport links (Brand Highway, Great Northern Highway and NorthLink WA / Tonkin Highway) will intersect at the site of the 1,150 hectare Muchea Industrial Park. The bypass presents both benefits and challenges for the town of Bindoon; improvements to road safety and amenity on the one hand and potential negative impacts for local businesses on the other due to reduced traffic throughput. Shire Council and its community have, as a consequence, over recent years worked on a Bindoon Deviation Strategy, which is aimed at mitigating any resultant negative impacts on the local community.

- Muchea Industrial Park. Taking advantage of the roadwork developments, the land for the Muchea Industrial Park has been strategically located at the intersection of the Brand Highway, Great Northern Highway and the new Northlink - Tonkin Highway extension, optimising its exposure for local, state, national and international distribution. It will capture freight moving from Perth to Darwin and present as the northern gateway to the City, the Perth airport and the Port of Fremantle.

This site offers 1,150ha of land, making it one of the largest greenfield industrial hubs in the State and is anticipated to become one of Western Australia's largest and key industrial sites. In February 2019 the Investment Prospectus for the Muchea Industrial Park was officially released with BP currently building one of the largest roadhouses and truck stops in the State at the site.⁸

The significance of these developments cannot be understated as they will create major opportunities for freight and logistic operators, importers, exporters and manufacturers and drive future investment and job growth in the area over the coming decades. As businesses establish in the Muchea Industrial Park, many of the workers will likely seek to live close to where they work, which will translate to a further increase in population for the Shire of Chittering. Given that recent population growth has outpaced forecast growth from 2015, with these new developments it is highly likely that the population could increase well beyond the current forecast levels.

The Shire of Chittering's local economy is currently based on broad acre farming, orchards, small rural and semi-rural lifestyle residential properties. There is an increasing amount of industry, being extractive industry operations (gravel, clay and sand), the State livestock yards, mineral sands processing, shearing, viticulture and wineries, with the Muchea Industrial Park expected to result in a dramatic increase in industry in the Shire.

The town of Bindoon operates as a tourist stopover point, as well as servicing the cattle, sheep and fruit growing district. Recently, due to its close proximity to Perth, Bindoon has become a popular place for people seeking a semi-rural lifestyle, which explains the much higher than average population growth in the area.

The main tourist attractions in the area are related to the natural assets of the Shire, being a variety of walking trails, drive trails, lakes, wildflowers and some heritage buildings. From a Western Australian tourism region perspective, Bindoon is assigned to the sub-tourism brand of 'Chittering Valley', as identified by Destination Perth and Tourism Western Australia. 'Things to do in the Chittering Valley' promoted by Destination Perth and Tourism Western Australia include:

- Follow the Chittering Farm Flavour Trail to boutique farms and see where your food comes from
- Enjoy a picnic at one of the many lovely parks

⁷ <https://investment.infrastructure.gov.au/projects>

⁸ <https://www.yanhepnewsonline.com.au/muchea-industrial-park-to-drive-economic-growth>

- See the wildflowers in spring during the September Spring Festival or from nature's roadside garden
- Visit the Brockman Arts & Craft Centre
- Enjoy great food at the popular Bindoon Bakehaus or Stringybark Winery & Restaurant
- Enjoy one of many walk and drive trails in the region
- Purchase fresh fruit and vegetables from roadside stalls
- Taste local produce at the annual A Taste of Chittering festival in August

Bindoon and the Shire, however, lack a flagship tourist attraction or catalyst to make it a destination as opposed to a stopover. This is particularly important to Bindoon, given the Bindoon Bypass that will take place as part of the Great Northern Highway roadworks and the need to capture visitors that will no longer be travelling through the town on their way elsewhere.

A feasibility study conducted on this proposed project found that,

*"The proposed development of a world-class adventure tourism attraction in Bindoon may significantly elevate the tourism status, overall brand awareness, and consumer market appeal to the Chittering Valley."*⁹

This project will work with the other tourism offerings in the area, and the work currently being delivered by the Shire, to provide a compelling attraction for visitors. Increasing the number of attractions in an area builds critical mass and widens the range of appeal for visitors. This has been shown to be magnified by having a flagship attraction, such as the Bindoon Mountain Bike Park.¹⁰



⁹ Bindoon Mountain Bike and Adventure Park Feasibility Study, Breakaway Tourism, 2019, Page 37

¹⁰ The Involvement of Business Improvement Areas in Tourism: An Exploratory Study of Ontario BIAs by Andrew Marc Giraldi. 2009

PROJECT DEVELOPMENT

In order to secure and strengthen the economy of the local community, after the Bindoon bypass of the Great Northern Highway was first proposed, the Shire of Chittering began working on a number of integrated strategies to enhance the economy and increase local job opportunities. The Shire has been developing plans which provide for housing diversity, alternative accommodation, tourist infrastructure and a range of outdoor and adventure-based activities, to create Bindoon as a destination, not just as a place for people to travel through. For example, The Shire of Chittering has recently completed feasibility studies on both a Caravan Park and a Lifestyle Village at the base of 'Red Hill', finding them both to be positive for the community and the local economy. The Bindoon Mountain Bike Park project must be seen as an integrated part of these other projects that the Shire is developing.

Concern around the impact that the Bindoon Bypass would have on the town began around 2015 and led to the Shire of Chittering considering options to attract additional tourists. The Shire turned to work it had already completed, with the aim to build on its existing assets. The Chittering Trails Network Master Plan 2013 – 2023 had identified the importance of drive, walk and bike trails to the Shire's tourism offerings. It identified both the need for and lack of trails for mountain bikes in the Shire and surrounding areas north of Perth, with a mountain bike trail and / or park mentioned as a way of attracting visitors to the area.

As a result of this recommendation and the Shire's need to grow tourism in Bindoon, the Shire prepared the Mountain Bike Trails Master Plan in April 2016. This document was intended to identify opportunities within the Shire of Chittering to provide high quality mountain biking experiences that will have significant new tourism attraction potential. The Master Plan reviewed all relevant literature relating to mountain bike trails and parks, including the State Mountain Bike Strategy, WA Mountain Bike Management Guidelines, as well as that relating to the topography and nature of the Shire of Chittering in order to develop a plan for the Shire. The Plan identified a number of potential trail projects across the Shire of Chittering, including one that has since been undertaken, being the recently redeveloped Sussex Bend Pump and Jump Track, which is a small practice facility. The Shire has also received State Government funding to complete the first part of the Carty to Clune Family Touring Trail, with works to commence in March 2022.

The Plan intends to provide the Shire of Chittering with a number of facilities targeting a range of demographics and mountain biking disciplines that would be implemented in stages and result in the Shire becoming a mountain biking destination. An urban mountain bike park in Bindoon was one of the projects identified by this Master Plan. The Mountain Bike Trails Master Plan is provided on the Shire's website.

In progressing a Mountain Bike Park for Bindoon, the Shire of Chittering undertook both a Tourism and Recreation Product Audit and commissioned a Feasibility Study in 2019. The Shire is actively working to increase tourism in the shire and commissioned the tourism audit to identify all the different tourism offerings, gaps and opportunities. Emphasising the importance of this project, the audit found that there was a gap for a unique tourism product or attraction to bring people to the Shire.

It noted that Bindoon and the broader Shire of Chittering is not recognised in the domestic or international market for any specific unique point of difference that appeals to a variety of high yielding target markets. The audit found that becoming a mountain bike trail town or a cycle tourism destination will provide greater consumer recognition, however, may not be competitively unique against other proposed trail towns in WA such as Dwellingup or Collie. It stated that having an urban mountain bike park with unique features would provide a point of difference to competitors and provide additional sources of revenue.

The feasibility study into the Bindoon Mountain Bike Park further assessed the target market, competitors, strengths, weaknesses and opportunities for the project and found:

- “Mountain biking is one of the world’s fastest growing recreational, sport and tourism activities and Western Australia is following this global trend.”¹¹
- “The development of mountain bike trails in Perth and surrounds are a priority as the demand for sanctioned, quality mountain bike trails for the Perth metropolitan population far outweighs the supply”¹²
- “The current Shire of Chittering broader tourism landscape can be improved upon. The Shire of Chittering, via a strong forward-thinking mindset from Shire officers, is positioned to capitalise on a burgeoning adventure sports market, by simply taking advantage of the natural land formations which are proximal to the town of Bindoon.”¹³
- “The opportunity to capture the interest of a growing consumer market of mountain bikers of all ages with a high quality, world-class mountain bike attraction may become the ‘hero’ product within a broader tourism and recreation strategy for the Shire of Chittering.”¹⁴
- “Existing mountain biking participation and continued growth is a known, and is supported by a plethora of master planning, forecasting and studies all undertaken by a range of Government agencies and private commercial entities alike, to ensure that the supply of quality trail developments is able to keep up with the increasing demand in Western Australia, nationally and internationally.”¹⁵
- “Due to the planning and development of mountain bike trail networks, hubs and trail towns in State Forests and National Parks in the south west of Western Australia such as Dwellingup, Collie and Nannup, an opportunity to provide a unique point of difference with a dedicated mountain bike park, with collocated adventure activities all at one convenient location, may be capitalised on.”¹⁶
- “With the benefit of close proximity to the major population base of Perth, the activation of a unique, world-class mountain bike and adventure park attraction in Bindoon has the potential to be of regional, state and national tourism significance.”¹⁷
- “By identifying and considering the subject site as a potential mountain bike and adventure park facility, the Shire may be able to use the development as a platform from which a range of other tourism activity can be developed.”¹⁸
- “It is accepted that a well-designed, operated and marketed mountain bike and adventure park facility generates strong user throughput and it is also recognised that the current mountain biking landscape has a level of demand which outweighs the availability of quality riding experiences, in particular within short proximity to the major population centre of Perth.”¹⁹
- “Additional to the proposed mountain bike and adventure park development, the Shire of Chittering has other tourism initiatives which can be rolled out and implemented... The robust mountain bike scene could be the catalyst to underpin an increase in visitation and promote confidence for other commercial operations to piggy-back on to this upside.”²⁰

Prior to the feasibility study being conducted, the opportunity arose for the Shire to purchase a sizeable lot of land overlooking Bindoon, known by some as Chinkabee Hill or Red Hill. The lot is not suitable for development due to its rough topography, but it has been identified as perfect for mountain biking, whilst maintaining the natural aesthetic and appeal of the town. The feasibility study was conducted with this piece of land in mind as the future site of the Bindoon Mountain Bike Park.

The Shire entered negotiations with the landowner while the feasibility study assessed the option of constructing the park on this land. On 31 January 2021 the Shire had its offer accepted to purchase

¹¹ Bindoon Mountain Bike and Adventure Park Feasibility Study, Breakaway Tourism, 2019, Page 16

¹² Bindoon Mountain Bike and Adventure Park Feasibility Study, Breakaway Tourism, 2019, Page 16

¹³ Bindoon Mountain Bike and Adventure Park Feasibility Study, Breakaway Tourism, 2019, Page 19

¹⁴ Bindoon Mountain Bike and Adventure Park Feasibility Study, Breakaway Tourism, 2019, Page 16

¹⁵ Bindoon Mountain Bike and Adventure Park Feasibility Study, Breakaway Tourism, 2019, Page 19

¹⁶ Bindoon Mountain Bike and Adventure Park Feasibility Study, Breakaway Tourism, 2019, Page 16

¹⁷ Bindoon Mountain Bike and Adventure Park Feasibility Study, Breakaway Tourism, 2019, Page 16

¹⁸ Bindoon Mountain Bike and Adventure Park Feasibility Study, Breakaway Tourism, 2019, Page 20

¹⁹ Bindoon Mountain Bike and Adventure Park Feasibility Study, Breakaway Tourism, 2019, Page 20

²⁰ Bindoon Mountain Bike and Adventure Park Feasibility Study, Breakaway Tourism, 2019, Page 20

Lot 3874 Bindoon, plus an additional 8- Hectare part purchase of Lot 100, 21 Chinkabee Road Bindoon. A deposit has been paid and subdivision of the purchased land approved. Final settlement is pending confirmation of title but the current owner has signed an authority for the project to commence on the property. Settlement will be complete prior to the funding requested being awarded.

A major advantage of this site is that it is not State Forest or National Park land managed by the Department of Biodiversity, Conservation and Attractions, thus avoiding potential restrictions, consultation requirements, licencing, approvals and extensive timelines to commence development. A desktop audit and consideration of issues such as environmental, flora and fauna and other planning issues has been completed, with no red flags identified. In fact, given the site is not of much use for any other purpose, this project will have environmental benefits. As detailed in AusCycling's report, Mountain Biking in Australia: An Economic and Participation Analysis, mountain bike trails can positively contribute to conservation efforts and preservation of natural areas, "particularly in areas currently experiencing and forecast to experience high population growth and expansion (such as the outskirts of capital cities)"²¹ which exactly describes the situation in Bindoon.

The mountain bike trails network and park design concept has been designed on an acute understanding of environmental principles and working within the natural formations of the subject site to mitigate such issues as:

- Destabilisation of soils and slope
- Minimise vegetation clearing
- Minimise any potential spread of pathogens, diseases and weed

In addition, an environmental consultant, Natural Area Consulting Management Services, completed an environmental survey during Spring 2021. The recommendations from the report do not limit any of the planned activities on the site. No environmental approvals are required to complete the project, other than clearing permits, which will reference the environmental survey report and are therefore expected to be approved swiftly.

As with most land in the Shire of Chittering, the site will require a Bush Fire Management Plan to be completed. The Shire is very experienced in preparing and assessing these plans.

The Shire of Chittering has obtained expert advice in regard to the required approvals for works to commence:

- The Shire will need to obtain Development Approval, which will incorporate the completed environmental survey and the bushfire management plan.
- Clearing Permits may be required and will form a separate application and approval process, outside of the Development Approval process.
- Building Permits will be required for the hard infrastructure. These permits are the responsibility of the Shire to assess.
- Department of Health approvals for the ablution facilities will be required. This is provided via the Shire's Environmental Health Officer.

The majority of these approvals and permits are ones that the Shire themselves is responsible for assessing and can therefore be completed in short timeframes. All approvals are expected to be completed by April 2022, with the environmental approval being the one that will take the most time. However, the project will be ready to commence within 4 weeks of the funding approval, as work can commence on areas that do not need the environmental approval prior to the receipt of these approvals, if necessary.

The Shire has also been proceeding with the development of other identified projects as an integrated approach to grow tourism in the area, including accommodation projects such as the caravan park development on the site adjacent to this project site.

²¹ Mountain Biking in Australia: An Economic and Participation Analysis, AusCycling, 9 March 2021, page 22

Additionally, the Shire of Chittering is working with other local governments in the Wheatbelt region to deliver the Northern Wheatbelt Mountain Bike Master Plan. The Shire of Chittering alongside four other Wheatbelt Shires (Gingin, Toodyay, Northam and York) have pledged funds towards a Regional Mountain Bike Master Plan. Similar to the Perth and Peel Mountain Bike Master Plan and the Southwest Mountain Bike Master Plan, this is intended to guide future strategic investment in mountain bike recreation, tourism and event development across the combined northern Wheatbelt Peri-Urban Regions. It is intended work will start on this plan towards the end of the 2021/22 financial year. Other plans have generated significant State and private investment in regional centres like Collie and Dwellingup in the State's SouthWest and it is hoped this plan will do the same.

2.1.2 Needs Analysis

The need for this project is centred around:

- The growing popularity of mountain biking and the inability of existing trails in WA to keep up with demand, as well as the lack of trails north of Perth
- The opportunity for WA to become a cycle tourism destination
- The opportunity for an urban mountain bike park to be placed in Bindoon, given the natural assets and proximity to the major population centre of Perth
- The need to grow tourism in Bindoon to address the impacts of COVID-19 and the pending economic downturn resulting from the construction of the Bindoon bypass road
- The link to the long term ecotourism intentions to make the Chittering Region an attractive cycle and trails destination, as part of the development of the tourism industry in this region
- The economic benefits that the project will deliver to Bindoon and the wider regional and national economy
- The environmental and social benefits of the project, particularly to users, in terms of health and wellbeing

MOUNTAIN BIKING DEMAND

Mountain biking is one of the world's fastest growing recreational and tourism activities and has been for the past decade. In 2014, the United Nations World Tourism Organisation (UNWTO) identified cycle tourism as a key growth adventure tourism activity worldwide in their Global Report on Adventure Tourism. In an updated version of this report in 2016, UNWTO found that the adventure travel market, including mountain biking, has been growing rapidly in the last decade as tourists worldwide seek new adventures and experiences.²²

This trend has only continued, and indeed been exacerbated with the recent COVID19 pandemic. In 2020, Forbes stated "Mountain biking is exploding. Trail usage is surging, and mountain bike sales are jumping."²³ It found that mountain bike trail counts across the US are showing increase in use of 100% to over 500% compared with the same time in 2019.²⁴

Reportlinker released the report 'Global Mountain Bike Market 2020-2024', which assesses the areas of mountain bike market sizing, forecast and industry analysis and predicts the global mountain bike market to grow by \$2.52B during 2020-2024.²⁵

²² UNWTO, ADVENTURE TOURISM DEVELOPMENT INDEX: AN ADVENTURE TRAVEL SCORECARD, 2016 report, page 2 (accessed at <https://www.adventureindex.travel/docs/ATDI16-web.pdf>)

²³ <https://www.forbes.com/sites/timnewcomb/2020/08/19/specialized-seeing-exponential-growth-as-mountain-bikers-turn-to-e-bikes/?sh=40c38b918129>

²⁴ <https://www.forbes.com/sites/timnewcomb/2020/07/13/amidst-cycling-surge-sport-of-mountain-biking-seeing-increased-sales-trail-usage/?sh=3efaad623ddf>

²⁵ Global Mountain Bike Market 2020-2024, March 2020, Summary page, (via https://www.reportlinker.com/p05192384/?utm_source=GNW accessed at <https://www.globenewswire.com/news-release/2020/04/07/2013205/0/en/The-Global-Mountain-Bike-Market-is-expected-to-grow-by-2-52-bn-during-2020-2024-progressing-at-a-CAGR-of-5-during-the-forecast-period.html>)

Analysts and commentators all agree that mountain biking has been and will continue to grow globally and WA is following this trend. In 2016, the Shire of Chittering Mountain Bike Trails Master Plan found that:

- Almost 120,000 mountain bikes are purchased every year in Western Australia
- 19% of Western Australians own a mountain bike

The Western Australian Cycle Tourism Strategy 2018 stated:

- 18.5% of WA residents (approximately 483,100 residents) ride a bicycle in a typical week
- The cycling participation rate in WA is significantly higher (41.9%) than the national average (34.2%)
- Of the people who cycled in the last month, 85% cycled for recreation and 35% used a bicycle for transport
- Around 56% of households in WA have at least one working bicycle in their household, with 24% having three or more
- Western Australians own almost as many bicycles as cars, with an average of 1.58 bicycles per household, which is 8% higher than the Australian average of 1.469. While Western Australians only make up 10% of the Australian population, they hold 14% of the total Australian bike market.
- Out of the 111,000 new adult bikes sold in WA in 2004/05, 70% were mountain bikes.
- The majority of bike sales across Australia are dominated by mountain bikes, exceeding sales for racing, sport/ racer and touring bicycles.
- Since 2012, WA's traditional cycle tourism markets (domestic, UK, Germany, US) have all seen steady growth between 10% to 20%, as would be expected; however new cycle tourism markets have seen exponential growth across three year averages, mainly in markets from China (166.5%), Singapore (67.6%) and Malaysia (62.4%).²⁶

This report is being updated with the current WA Mountain Bike Strategy Review (yet to be finalised), with preliminaries results finding:

- More than 37% of mountain bike riders travel more than 45 minutes to get to a trail network (Bindoon is less than 45 mins away for a large proportion of Perth's northern corridor)
- 86% would ride more regularly if they had closer access to mountain bike trails
- 65% of people are currently riding unsanctioned trails (damaging for the environment) due to lack of availability of mountain bike trails within a reasonable distance.

In 2020, in recognition of the fact that there was universal acknowledgement of the growth of mountain biking but limited publicly available information that accurately estimates the participation rates and the extent of economic and social benefits generated by mountain biking in Australia, AusCycling commissioned a report that was released in March 2021, Mountain Biking in Australia: An Economic and Participation Analysis.

This report found that,

- Over the last decade the popularity of mountain biking has grown significantly.
- Mountain biking, and cycle tourism more broadly, is dubbed as one of the fastest growing recreational activities globally.
- The increasing popularity of mountain biking has fuelled the development of trail networks and competitive events across Australia.
- In the 5 years to 2019, Mountain Bike Australia (MTBA, the former peak body for mountain biking nationally) recorded a membership increase of more than 60 percent.
- Mountain biking, and sport and recreation more broadly, can bring significant benefits to local communities and participants, including:

²⁶ Western Australian Cycle Tourism Strategy 2018, WestCycle, Page 16

- Environmental benefits, through contributions to conservation efforts and preservation of natural areas, and providing access to open space for communities to enjoy and nurture
- Social and health benefits, through improved physical and mental health, increased community cohesion and connection and volunteer opportunities
- Economic benefits, through increased tourism and spend in local communities with mountain bike trails (e.g. spend on bike hire, shuttle services and at local food and beverage outlets).
- Based off the AusPlay participation rates, which are considered the most accurate (participation of 341,900), mountain biking participants directly spend \$630.8 million and support a total of 6,095 full time equivalent employees annually through riding at their local trails.
- In addition to the expenditure at local trails, mountain bike riders also contribute significantly to their local and Australian economy through larger annual purchases such as new bikes and equipment, as well as supporting the Australian tourism industry through intra and interstate mountain biking specific holidays.
- A significant opportunity exists to leverage this substantial expenditure and bring benefit to the local community and economy.

The report also found that data obtained from Trailforks estimates there are 8,605 mountain bike trails in Australia. These trails are primarily located in eastern Australia, across New South Wales (33%), Victoria (17%) and Queensland (17%). WA comes next with 10% of trails, which indicates that the state has begun to develop its mountain biking infrastructure, with further growth potential. This is also highlighted as the report states that, despite only having 10% of trails, WA has 12% of national MTBA membership, which indicates a significant level of interest and participants in WA and the need for more trails to meet that demand.

The AusCycling report also found that mountain biking generates significant tourism expenditure through both intrastate and interstate travel:

- Approximately two-thirds of survey respondents went on a mountain bike specific **intrastate** holiday in the past 12 months, travelling between one and three times a year.
- Typically, people who went on intrastate holidays for the primary reason of mountain biking spent \$1,707.95 per trip.
- Approximately 40% of respondents went on a mountain bike specific **interstate** holiday in the past 12 months, travelling one to two times a year.
- Typically, people who went on interstate holidays for the primary purpose of mountain biking spent \$2,485.75 per trip.

As such, it is clear that there is demand both within the state and from interstate travellers for mountain biking infrastructure that will generate tourism expenditure. This is in addition to the expenditure of mountain bike riders visiting trails in their local area.

In 2015, WestCycle, the peak industry body for cycling in Western Australia, (inclusive of WAMBA, the Western Australian Mountain Bike Association), released the Western Australian Mountain Bike Strategy 2015-2020 stating:

'The recent rapid rise of mountain biking now provides Western Australia with a unique opportunity to grow and evolve into a world-class mountain bike destination. This will support the growth and diversification of the state's recreation sector and tourism industry whilst also securing meaningful economic and social outcomes for our local and regional communities'.²⁷

This strategy highlighted the need for a state-wide network of sustainable trails in WA to address the increasing imbalance between supply and demand. The Strategy recommended regional master planning and the establishment of a development process to ensure that all aspects of trail planning, design, construction and maintenance are realised in a sustainable manner. The need for marketing to realise the tourism and participation of mountain biking was identified, with the potential to unlock

²⁷ Western Australian Mountain Bike Strategy 2015-2020, WestCycle, page 3

significant benefits in tourism, local community engagement and enjoyment, increased participation in healthy outdoors activity and economic benefits to local businesses. It stated,

“It’s time for Western Australia to unlock the potential of mountain biking”²⁸

Whilst WA has progressed in its development of mountain bike trails in recent years, particularly in the Peel and South West region of WA, there has not been sufficient development of mountain biking assets to the north of Perth and within proximity for Perth residents to undertake a day trip. Additionally, there is no mountain bike and adventure park **at all** north of Perth. The feasibility study into the potential for this project found that:

- This project would deliver the only mountain bike park north of Perth
- There is a current under-supply of sanctioned mountain bike trails within 1 hour of Perth
- The close proximity to Greater Perth consumer market and population and the Swan Valley tourist region is a strength for this project
- The close proximity to the Perth Northern Suburbs consumer market, which is large and growing. Bicycle company Giant have set up Perth’s largest Giant concept store in the State in the northern suburb of Clarkson
- The project will work toward the creation of cycle friendly town trails and cycle road touring destination in Chittering
- Such a high quality, world-class, unique mountain biking destination and tourist attraction will enhance Tourism WA, Destination Perth and industry sector capacity for domestic and international marketing and product packaging

As such, this project will complement the recent work done to develop mountain bike trails in other regions of WA. It will integrate with them to develop this “state-wide network of sustainable trails in WA” that the Western Australian Mountain Bike Strategy 2015-2020 identified as necessary. In addition to providing a mountain bike park and trails closer to, and north of Perth, it will work with the other trails to position WA as a cycle tourism destination, with multiple, different options such as the South West and Dwellingup Mountain Bike Trails and a Bindoon urban mountain bike and adventure park.

WestCycle are in the process of updating their Strategy, however, consultation with WestCycle’s CEO in 2020 identified the development of mountain bike trails in Perth and close surrounds is still a priority as the demand for sanctioned, quality mountain bike trails far outweighs the supply.²⁹

THE OPPORTUNITY FOR WA, CHITTERING AND BINDOON

According to the Western Australian Mountain Bike Strategy, the recent rapid rise of mountain biking now provides Western Australia with a unique opportunity to grow and evolve into a world-class mountain bike destination. This will support the growth and diversification of the state’s tourism industry whilst also securing meaningful economic and social outcomes for our local and regional communities.

Demand for mountain biking experiences significantly exceeds supply in WA. The AusCycling report indicates there is a high number of mountain biking participants in WA versus number of trails in comparison to other states, with 12% of MTBA members in WA but only 10% of trails. Given WA tends to have lower representation in national membership organisations due to the focus (or the perception of the focus) being on the Eastern states, it is clear that WA has a high number of mountain biking participants. This is confirmed by the findings of the Western Australian Cycle Tourism Strategy 2018 summarised above, which found that the cycling participation rate in WA is significantly higher (41.9%) than the national average (34.2%).

This provides opportunities for forward thinking local governments to target mountain bikers with diverse and quality experiences. The South West region is emerging as an area of long-term

²⁸ Western Australian Mountain Bike Strategy 2015-2020, WestCycle, page 7

²⁹ Matt Fulton, CEO WestCycle, May 2019

international level potential, but there will remain a need for quality trails and facilities closer to Perth. As well as the potential to attract visitors, the provision of mountain bike facilities as a recreation resource for local residents reflects the changing nature of recreation. There is a trend away from structured sport towards recreation activities that can be undertaken informally and at any time. Mountain biking is just such an activity³⁰.

In WA the location of the current, sanctioned mountain bike facilities are:

- Greenmount (East of Perth – 30mins)
- Kalamunda (East of Perth – 40 mins)
- Lake Leschenaultia (East of Perth – 55 mins)
- Jarrahdale (South of Perth – 50 mins)
- Dwellingup (South of Perth – 1 hour 15 mins)
- Collie (WA’s South West Region – 2 hours south)
- Dunsborough (WA’s South West Region – 2 hours 50 mins south)
- Margaret River (WA’s South West Region – 3 hours south)
- Pemberton (WA’s South West Region – 3 hours 45 mins south)
- Karratha (WA’s Pilbara Region – 15 hours north of Perth)

As can be seen, the only sanctioned mountain biking infrastructure north of Perth is a 15 hour drive north! Bindoon is located within an hour north of Perth with a topography ideally suited for mountain biking.

The Western Australian Cycle Tourism Strategy, 2018 conducted an analysis of the key target markets for cycle tourism, as well as the current assets in WA. The existing assets and identified gaps in WA were identified in the below table:

Mountain Bike	WA	<ul style="list-style-type: none"> • No locations of national or regional significance • No tangible and marketable mountain bike product exists • High majority of trails on DBCA managed land • No permanent event facilities • Very limited commercial or business investment in trails • No locations meet national or regional infrastructure, amenities or service requirements • There are no locations that have trail centres or meet trail hub criteria
	Perth & Peel Region	<ul style="list-style-type: none"> • ≈9% of residents have good access • Over 120km of unsanctioned trails • Only one formal location (Kalamunda) • ≈90% of people drive a car to go riding
	ASW Region	<ul style="list-style-type: none"> • Only 18% of ASW residents have good access to purpose built mountain bike trails • ≈20% of the region's sanctioned mountain bike trails are purpose built singletrack • Only 15% of singletrack trails are in good condition • ≈10% of all trails are well-signed purpose built singletrack • Existing trails are mainly suited to riders with intermediate skill levels (12% cater for beginners, 16% for advanced riders) • Only one location can be rated as regionally significant

Figure 1 - Existing assets and identified gaps in WA mountain bike infrastructure³¹

³⁰ Mountain Bike Trails Masterplan, Shire of Chittering

³¹ Western Australian Cycle Tourism Strategy, 2018, Westcycle, Page 34

Since this assessment, there has been development in Dwellingup and Collie in the South West region but limited development of trails in any other WA locations. Based on this analysis of markets, assets and gaps, the report noted that the unique proposition of Western Australia as a cycle tourism destination is focused on its points of difference, being:

- Expanses of natural environments, with great contrasts across short distances
- Diverse landscapes across the state with the south west offering being very different from the north west
- Diversity of key experiences in addition to cycling such as food & wine, particularly around Perth and the South West
- Undulating topography which caters for a broad cross section of the cycling market and provides cyclists with the opportunity to enjoy the surrounding landscape
- The weather in WA makes it ideal for cycling year-round (Mediterranean climate)
- Accessibility to South East Asia (as closest Western destination)
- New offering for the dedicated cycling market looking for experiences beyond the east coast of Australia
- Close proximity of towns through the south west and around Perth which lend themselves well to cycle touring³²

It is therefore clear that this project, as the only mountain bike park north of Perth, with its unique natural landscape and close proximity to both Perth and the food and wine district of the Swan Valley, provides the opportunity to combine with mountain bike offerings in the South West to enhance WA as a cycle tourism destination.

Tourism WA's report, *Segmenting the Cycle Tourism Market in 2018*, confirmed this analysis of the target market for both cycle tourism and, in particular mountain biking tourism. The report found that:

- In the last 3 years, 29% of Australians had a holiday that involved a cycling experience. Of these, 28% were Destination Cycle Tourists while 72% were Cyclists While on Holiday.
- In the last 3 years, 7% of Australians had a cycle holiday experience in WA (indicating the potential for growth if WA can attract more of the Australian market). In addition, 26% of Western Australians undertook a daytrip in WA involving cycling. Experience Perth and Australia's South West were the most popular WA cycle tourism destinations.
- 35% of Australians intend to have a cycle tourism experience (holiday or short break).
- People tended to visit places closest to them for their cycle tourism experience (indicating being close to the population centre of Perth is important).
- Sightseeing and mountain biking are the most appealing cycling experiences in WA.
- The key market for mountain biking facilities is people termed 'Explorers'. In order to target these travellers, the report states that there is a need to "Develop more challenging trails to attract this segment to WA, as it represents the second-largest cycle tourism segment...Promote and highlight challenging WA trails on mountain biking websites, apps and clubs"³³.

The preference for cycle tourists to visit Perth and the South West region indicates that both proximity to Perth and quality of scenery/trails is a consideration for visitors, both of which can be delivered in Bindoon. As such, the creation of challenging trails in close proximity to Perth is likely to attract the second-largest cycle tourism segment, the 'Explorers' to Bindoon and bring significant benefits to the region.

"A new, exciting era of bike park development is underway. Today, bike parks are getting built in attractive, easily accessed locations, and municipalities are funding them at the same level as other types of recreational facilities. Modern bike parks are designed to appeal to every skill level, with enough variety to keep riders coming back for years. Well considered plans for maintenance and

³² Western Australian Cycle Tourism Strategy, 2018, Westcycle Page 36

³³ Segmenting the Cycle Tourism Market, Tourism WA, 2018, Page 49

regular improvements ensure that these parks will be attractive and fun to ride for the long term.” – International Mountain Biking Association

Chittering Shire has already raised the bar for recreational cycling infrastructure with the successful development and launch of the Sussex Bend facility in 2015, which does not deliver any bike trails but provides a pump track for riders of disciplines from BMX to mountain biking to practice and enhance their skills. The opportunity exists to create a network of such parks in the Shire, along with quality facilities for other disciplines. A major trails park in Bindoon links with these long term ecotourism intentions to make the Chittering Region an attractive cycle and trails destination.

This project is identified as a key area of opportunity in Chittering in the Northern Growth Alliance Tourism Strategy. Trails are already established as a key tourism offering of the Chittering Valley, with the Shire’s website highlighting its walk trails, drive trails, sculpture trail, wine trail and seasonal wildflower trail. Chittering Shire identified the goal over 5 years ago to become a highly regarded mountain biking destination for day trippers from Perth and to be appreciated for its mountain bike--friendly approach and commitment to quality mountain bike trails and facilities. The current inventory of dedicated mountain bike facilities in the Shire is limited to three small dirt jump / pump track facilities:

- Clune Park – a jump track facility of approximately 0.3 Ha set in the otherwise undeveloped portion of Clune Park reserve, Bindoon.
- Muchea – a jump track facility of approximately 0.25 Ha that complements the playground and picnic area bounded by McKenzie Street and Muchea South Road.
- Maryville Downs Dirt Jumps, Sussex Bend – represents the Shire’s first foray into modern mountain bike facility design.

The Shire has identified the goal for this Bindoon Mountain Bike Park to be recognised as ‘Best New Tourism Business’ at the Western Australian and Australian Tourism Awards. As mentioned, the Shire is also working with other regional local government in the northern Wheatbelt region to strategically develop the region’s mountain biking and adventure tourism offerings through the Northern Wheatbelt Mountain Bike Master Plan.

The feasibility study into this project found that “a well-designed, operated and marketed mountain bike and adventure park facility generates strong user throughput” and it is also recognised that the current mountain biking landscape has a level of demand which outweighs the availability of quality riding experiences, in particular within short proximity to the major population centre of Perth...the Shire of Chittering is positioned to capitalise on the “burgeoning adventure sports market, by simply taking advantage of the natural land formations which are proximal to the town of Bindoon. By identifying and considering the subject site as a potential mountain bike and adventure park facility, the Shire may be able to use the development as a platform from which a range of other tourism activity can be developed.”³⁴

The feasibility study stated, “Additional to the proposed mountain bike and adventure park development, the Shire of Chittering has other tourism initiatives which can be rolled out and implemented. Some of these opportunities have laid dormant because of the risk associated with visitation numbers. The robust mountain bike scene could be the catalyst to underpin an increase in visitation and promote confidence for other commercial operations to piggy-back on to this upside. Furthermore, a robust mountain bike and adventure park throughput would likely require an increase in the provision of services and infrastructure to ensure the needs of increased visitor numbers are supported by a well- serviced tourism landscape... The opportunity to capture the interest of a growing consumer market of mountain bikers of all ages with a high quality, world-class mountain bike attraction may become the ‘hero’ product within a broader tourism and recreation strategy for the Shire of Chittering.”³⁵

Due to the planning and development of mountain bike trail networks, hubs and trail towns in State Forests and National Parks in the south west of Western Australia such as Dwellingup, Collie and

³⁴ Bindoon Mountain Bike and Adventure Park Feasibility Study, Breakaway Tourism, 2019, Page 18

³⁵ Bindoon Mountain Bike and Adventure Park Feasibility Study, Breakaway Tourism, 2019, Page 20

Nannup, an opportunity to provide a unique point of difference with a dedicated mountain bike park, with collocated adventure activities all at one convenient location, may be capitalised on by the Shire of Chittering. With the benefit of close proximity to the major population base of Perth, the activation of a unique, world-class mountain bike and adventure park attraction in Bindoon has the potential to be of regional, state and national tourism significance.³⁶

The opportunities and strengths of this project, as identified in the feasibility study are shown in the below images. A number of the threats and weaknesses identified have been addressed, such as the need for the Shire to purchase the plot of land.

STRENGTHS

- Only mountain bike park north of Perth
- Current under-supply of sanctioned mountain bike trails within 1 hour of Perth
- Close proximity to Greater Perth consumer market and population
- Close proximity to Swan Valley tourist region
- New NorthLink WA (launching late 2019) will decrease travel time from Perth to Bindoon
- Located off main arterial road, Great Northern Highway - high visibility site
- Attractive undulating bushland property with 360-degree scenic vistas
- Large land parcel for ongoing development
- Existing tourism and recreation product in the region to provide complementary activities for visitors
- Strong existing walking and self-drive trails product
- Existing events calendar in the region
- Positive community sentiment for a mountain bike park/attraction in Bindoon
- Co-location of an adventure park or similar activity on site will appeal to a broader consumer market - an advantage over stand-alone mountain bike trails
- Growing local population
- Safe, relaxed, friendly country location
- Natural landscapes/ environment (clean air, rare species and ecological communities)
- Wine and fresh produce region
- Private property does not have the restrictions and inflexibility of a Department of Biodiversity, Conservation and Attractions operated mountain bike trails network

³⁶ Bindoon Mountain Bike and Adventure Park Feasibility Study, Breakaway Tourism, 2019, Page 16

³⁷ Bindoon Mountain Bike and Adventure Park Feasibility Study, Breakaway Tourism, 2019, Page 53

OPPORTUNITIES

- Provision of high quality recreational and healthy lifestyle amenities that will appeal to, and benefit Shire residents and the growing population
- Mountain biking and adventure park and trail town potential to become a signature tourist and mountain biking attraction for Western Australia
- Creation of cycle friendly town trails and cycle road touring destination
- High quality, world-class, unique mountain biking destination and tourist attraction will enhance Tourism WA, Destination Perth and industry sector capacity for domestic and international marketing and product packaging
- Creation of new jobs and employment in the Shire
- Creation of economic stimulation and private investment in the Shire
- Development of complementary products, services, businesses and partnerships by Shire residents
- Enhance the visitor experience in the 'Chittering Valley' tourism region
- Increase overnight visitation and consumer spend in the Shire
- Revenue source that can be increased through customer spend and yield development of associated add-on sales points e.g. tuition, events, competitions, retail, tours, activities
- Diversified product and markets reduce risk of seasonality and changes in consumer preferences e.g. locals, community groups, Perth market, schools, tour groups, clubs, corporate sector
- Increase market awareness and year-round visitation through brand and marketing enhancement; e-commerce, business development and partnerships with key stakeholders

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The project is of particular importance and urgency as it has been identified as a part of the Shire's plan to mitigate the economic losses of both COVID-19, through the Shire's COVID-19 Economic Recovery Plan and the Bindoon Bypass. Similar bypasses in other towns have seen an average 40%

³⁸ Bindoon Mountain Bike and Adventure Park Feasibility Study, Breakaway Tourism, 2019, Page 54

reduction in traffic, 4 businesses and 35% of jobs lost in Harvey, Northam and Karuah respectively. This would be the equivalent of losing half the businesses in Binda Place shopping precinct in Bindoon.

The expected economic benefit that this project will deliver to the Shire to mitigate both the bypass and COVID19 impacts on the tourism industry is further explored below and in *Section 2.6 Economic and Financial Analyses*.

Economic Benefits

The AusCycling report, Mountain Biking in Australia: An Economic and Participation Analysis, was delivered in 2021 to fill a gap in available information that accurately estimates the extent of the economic and social benefits generated by mountain biking in Australia. The report estimates:

- Mountain biking participants directly spend \$630.8 million and support a total of 6,095 full time equivalent employees annually through riding at their local trails.
- In addition to the expenditure at local trails, mountain bike riders also contribute significantly to their local and Australian economy through larger annual purchases such as new bikes and equipment, as well as supporting the Australian tourism industry through intra and inter-state mountain biking specific holidays.
- On average, mountain bike riders spend \$2,282.90 annually when they go mountain biking within their local areas, and through their local trails. This works out to be approximately \$27.10 each time someone goes mountain biking.
- Approximately two-thirds of survey respondents stated they travel **intrastate** for a mountain bike specific holiday between one and three times a year. Typically, people who went on intrastate holidays for the primary reason of mountain biking spent \$1,707.95 per trip.
- Approximately 40% of respondents stated they travel **interstate** for a mountain bike specific holiday between one to two times a year, typically spending \$2,485.75 per trip.

As such, it is clear that the economic benefits of a mountain bike park in Bindoon to the town and the wider region would be significant.

The Western Australian Cycle Tourism Strategy, 2018 states that bike riding,

“is a travel motivator that provides economic return for the destination of choice. Encompassing several disciplines, and the ability to develop cycle tourism specific infrastructure and events, the benefits are wide ranging and customisable to the characteristics of each destination. Cycle tourism has been identified globally, by the United Nations World Tourism Organisation, as a key growth adventure tourism activity due to its low-impact, high-spend, and high-dispersal nature. Cycle tourists typically stay longer, spend more and engage in a broader range of experiences than the average visitor. As such cycle tourists promise significant merit as a potential tourism target market.”³⁹

The strategy states that the cycle tourist user cohorts are a highly valuable visitor market due to their propensity to stay longer, travel outside of urban centres and they are a high spend visitor market. Whilst a cycle tourist’s average daily spend is comparable with the average overnight visitor, their overall trip spend is nearly **five times as high**. Key characteristics of this market include:

- High tendency to become repeat visitors to a destination
- Average daily spend of \$124 per night
- Average length of stay is 16 nights (compared to 4.5 nights for the average overnight visitor)
- Overnight visitors who undertake cycling while on holiday is dominated by the intrastate market (200,300 visitors), followed by international (104,400 visitors)
- These two markets also stay considerably longer than the average visitor; 59 nights for international visitors who undertake cycling compared to 30 nights for the average international visitor, and 5 nights for intrastate visitors who undertake cycling compared to 3.8 nights for the average intrastate visitor, whilst interstate visitation remains comparative at around 9 nights.

³⁹ Western Australian Cycle Tourism Strategy 2018, WestCycle, Page 3

- Total trip expenditure is approximately \$2000 per domestic cycle tourist and \$5,005 per international cycle tourist
- They are more likely to visit Western Australia (16%) compared to the average overnight visitor (8%)
- Have a higher **propensity to travel to regional** areas
- They have a higher tendency to visit a destination more than once compared to the general visitor market
- Tend to love fine wine, good restaurants and outdoor activities in natural environments
- More sensitive to soft infrastructure (marketing, signage, quality tours/guiding, trail cleanliness), and are less sensitive to deficiencies in hard tourism infrastructure (roads, airports, accommodation).
- Cycling tourists typically engage at least three times per year, suggesting that cycle tourism is a niche but high engagement activity
- 83% stayed at least one night on their last cycling experience ⁴⁰

It is clear therefore that, for regional areas, cycle tourists are an ideal target market from an economic development perspective. With the dominant market being those from intrastate, the current COVID19 travel restrictions, which are encouraging more intrastate travel, will not have as significant a negative economic impact on this market as they would have on other tourism offerings.

The strategy also found, through its investigations, that,

“Anecdotal evidence also suggests significant economic activity as a result of micro tourism riding activities across key areas in the state. This can be evidenced by the thousands of riders going into the Perth hills on any given weekend, and the increasing numbers of users on trails and routes in the south west. Data available from John Forrest National Park, 24 kilometres east of Perth, indicates an average of 8,695 visitors per month (with a peak in October of 14,693) of which nearly half (42.8%) undertaking cycling/mountain biking. Broken down as 3,721 cycle/mountain bike users per months, at an average daily spend of \$108 (day trip visitor average spend) equates to \$401,868 monthly expenditure by cycle tourists in the surrounding area”⁴¹

Given this data is from 2018, and the recent growth in mountain biking, it is expected that current numbers would be higher. This assumption is supported by recent data (2019-21) from the Department of Biodiversity, Conservation and Attractions for the Murray Valley trails (opened in January 2019) which show that:

- All three trails experienced growth from 2019 to 2021, with the average growth being 70%
- Conservative estimates are that the trails network has had a combined ~150,000 rides over the 12 months to December 2021.

Based on the AusCycling report estimate of \$27.10 value per ride, this would equate to around \$4,065,000 in spend by riders on these trails, assuming all riders are from the local area. Given many riders can be expected to be intrastate travellers, it can be assumed the economic benefits of those trails are actually higher.

Bindoon is located 30 minutes closer to Perth than Murray Valley trails and, as such, it can be expected that the proposed Bindoon Mountain Bike Park will receive even more rides than the Murray River trails. Additionally, Murray River Trails are not based close to a town like Bindoon (and like the case of Derby in Tasmania) and as such, they miss the opportunity to capture the higher spend in town.

The mountain bike trails in Kalamunda, to the east of Perth, which are a more similar distance from the Perth CBD than the Murray River Trails, also sit at around 150,000 rides per year for the past two years. On this basis, the economic assessment of this project has been based on a conservative 50,000 rides in the first year, increasing to 100,000 rides annually after that. Based solely on the

⁴⁰ Western Australian Cycle Tourism Strategy 2018, WestCycle, Page 3 and 9

⁴¹ Western Australian Cycle Tourism Strategy 2018, WestCycle, Page 13

AusCycling report estimate of \$27.10 value per ride, this would equate to \$1,355,000 spend by riders in the first year, increasing to \$2,710,000 from the second year.

In addition, the potential economic benefits of mountain biking events is also significant.

“Nationally and internationally accredited cycling events have the ability to drive strong tourism benefits to the host destination. Not only do such events draw large numbers of participants they also host significant spectator and support crew numbers. The Australian national and international cycling calendar is currently dominated by Victoria, and Cairns. When Cairns hosted the UCI Mountain Bike World in 2014 the event drew over 10,000 spectators and brought in an estimated \$10 million to the Queensland economy. It has been highlighted however that the event is at risk of continuation due to the lack of surrounding/nearby product or similar events. In addition, the effort required for international competitors to travel to Cairns for a single event has many questioning the validity/expense of attending.”⁴²

Establishing Chittering as another mountain biking destination, with sufficient infrastructure, will enable WA to combine its assets in the south and north of Perth to attract events, which are shown to have considerable economic benefits.

The feasibility study completed for the project identified the below contributors to and benefits of the economic impact of this project⁴³.



Figure 67: Contributors to economic impact



Figure 68: Benefits of Economic Impact

Through the feasibility study community engagement, it identified that a world class Mountain Bike Park and associated Adventure Park on the site would be very popular with users. The Study conservatively estimated that the development will ensure, annually:

- an additional 17,200 visitors to the area
- \$1,670,000 dollars indirectly into the local economy
- 11 full time jobs created due to growth in the economy

⁴² Western Australian Cycle Tourism Strategy 2018, WestCycle, Page 30

⁴³ Bindoon Mountain Bike and Adventure Park Feasibility Study, Breakaway Tourism, 2019, page 192

Of the 824 survey respondents from both the local area and across the State (particularly the Perth metropolitan area):

- Over 96% of respondents indicated that they would be interested in experiencing the facility
- A further 3% said they would use it depending on the inclusions, or they were unsure
- Only 1% said they wouldn't use the facility⁴⁴

However, since the feasibility study was conducted, a number of trails have been completed in the south of WA and additional reports on participation have been completed. As such, based on actual usage numbers of similar trails, the expected annual usage of the park is significantly higher than the conservative estimate in the feasibility study. As mentioned, the economic assessment of this project has been based on a conservative 50,000 rides in the first year, increasing to 100,000 rides annually after that, though it is expected to be closer to 150,000 per year, in line with similar trails in other locations in WA.

A Cost Benefit Analysis of this project supports the assertion that mountain biking can deliver significant economic benefits, with the Benefit Cost ratio for this project exceeding 5.0 at all discount rates. The outcomes of this assessment are detailed in *Section 2.6 Economic and Financial Analysis* and the CBA report at Attachment 4.

The potential for such a facility to deliver economic benefits to small, regional areas has been well documented in the case of Derby, Tasmania, where the economic impact of mountain biking has been significant.

*"reportedly attracting more than 30,000 visitors every year, who spend four to five nights in Derby then another five nights elsewhere in Tasmania. The return on investment has been estimated at \$30 million per year."*⁴⁵

The same has been shown more recently in Dungog in the Hunter Valley, with one café reporting a 300% increase in takings since the mountain bike trail opened and a local councillor stating,

*" as a recovery from the COVID close down, it's just been magical for our town, it's been brilliant."*⁴⁶

The potential for this project to deliver economic benefits to Bindoon and the wider WA community is significant. The timing of the project will be impeccable with the need to mitigate the negative economic impacts of both COVID19 and the Bindoon Bypass.

SOCIAL BENEFITS

"Sport plays a key role in improving the physical and psychological wellbeing of individuals, and therefore our community. Participation in sport can contribute to higher levels of self-esteem, motivation and self-worth. It can contribute to the prevention of obesity, relieve symptoms of arthritis and positively influence the immune system. It helps people improve and maintain cognitive abilities into older age, and may prevent the development of dementia and Alzheimer's disease" (pg18).

However, physical inactivity is a well-known and growing problem in Australia, with more than half of all Australians not being active enough, according to the Australian Department of Health.

In 2008 the cost of inactivity in Australia was estimated to be \$13.8 billion, with 16,178 Australians dying prematurely annually due to physical inactivity.⁴⁷ The problem has only grown since then and continues to grow.

⁴⁴ Bindoon Mountain Bike and Adventure Park Feasibility Study, Breakaway Tourism, 2019

⁴⁵ The Rise of Blue Derby Case Study, MTBA, page 1 (accessed at <https://www.mtba.org.au/wp-content/uploads/CCJ17427-Blue-Derby-Case-Study.pdf>)

⁴⁶ <https://www.abc.net.au/news/2020-07-10/mountain-biking-track-revives-small-town-economy/12440526>

⁴⁷ The cost of physical inactivity October 2008, Medibank Private, page 1

(accessed at https://www.medibank.com.au/client/documents/pdfs/the_cost_of_physical_inactivity_08.pdf)

Yet, as has been demonstrated previously with the growth of the sport, mountain biking is bucking that trend. Almost two-thirds of Western Australian children ride a bicycle and participation in this recreational activity is higher than in any organised sport.⁴⁸

Participating in any sport, such as mountain biking, delivers a number of benefits, including:

- helps to build our confidence, self- esteem,
- reduces crime rates
- helps us to develop stronger communities,
- bridges cultural boundaries and improves our international relations
- improves our academic performance,
- improves social inclusion and connectivity
- improves both physical and mental health⁴⁹

The feasibility study for this project referenced a report from the US into the benefits of mountain biking, which found that mountain biking improves overall physical, mental, and emotional health:

- **Improved Heart Health.** The British Medical Association studied 10,000 people and showed that riding a bicycle for at least 20 miles a week lessened the risk of coronary heart disease by almost 50%. Mountain biking uses large muscle groups that require a lot of oxygen. This makes the heart work steadily, increasing heart fitness by 3-7%.
- **Less Stress on the Joints.** Mountain biking is a low impact sport, meaning it puts less stress on the joints than other aerobic activities such as running. Cycling is also considered a non-load bearing sport, which means that the act of sitting takes the pressure off the joints and reduces the risk of injuring them.
- **Decreased Risk of Diseases.** Regular moderate exercise is known to strengthen the immune system and keep people healthy.
- **Reduced Stress and Improved Mood.** The vigorous demands of mountain biking stimulate the body to release natural endorphins, which are the body's way of feeling good and getting more energy. Exercise also boosts serotonin, an important neurotransmitter in the brain which helps to prevent depression and anxiety. The focus and attention needed to ride a challenging single-track can become a form of moving meditation; ultimately helping to relax and weather life's stressors by acting as a distraction from negative thoughts that may contribute to anxiety and depression.
- **Gaining new skills and improving mountain biking abilities** also helps to build confidence and self-esteem.
- **Increased Brain Power.** Researchers at Illinois University found that a 5% improvement in cardio-respiratory fitness from cycling led to an improvement of up to 15% on mental tests. This is in part due to building brain cells in the hippocampus – the region of the brain responsible for memory. "It boosts blood flow and oxygen to the brain, which fires and regenerates receptors, explaining how exercise helps ward off Alzheimer's," Professor Arthur Kramer said.
- **Improved balance and coordination.** Unlike plodding on a treadmill or stair stepper, mountain biking is a dynamic activity that requires the rider to constantly adjust to varying terrain, pitch, and elevation. Staying steady and secure on a mountain bike not only keeps them from crashing but strengthens neural pathways and reinforces muscle memory. Balance and coordination requires the combined resources of the brain, senses, muscles and nervous system. Keeping these systems active as we get older staves off disability from aging and reduces the risk of injury from falls.
- **Whole Body Workout.** Mountain biking uses the muscles of the whole body. The balance required to stay upright strengthens abdominal and core muscles. Climbing and manoeuvring turns also strengthens the upper body.

⁴⁸ Bindoon Mountain Bike and Adventure Park Feasibility Study, Breakaway Tourism, 2019, page 180

⁴⁹ Bindoon Mountain Bike and Adventure Park Feasibility Study, Breakaway Tourism, 2019, page 172

- Sleep Better. Riders may immediately feel tired and worn out after a ride, but it will ultimately lead to improved regenerative sleep when they need it at night. The exercise of riding decreases cortisol, a hormone that keeps us awake. Being an outdoor activity, mountain biking exposes people to daylight which helps to maintain the body's natural circadian sleep/wake cycle and raises the body's production of vitamin D.
- The newer field of happiness psychology has shown that healthy relationships and social interactions are key to being happy and finding meaning in life. Mountain biking is often a social activity shared by clubs and groups who get out to ride together. It provides a perfect opportunity to build personal bonds and make new friends with people who enjoy the same activities.
- Enjoy Nature. Mountain biking, more than any other activity, allows riders to quickly get off the beaten path and enjoy the solitude and magnificence of nature. Japanese researchers have shown that being out in nature (what they refer to as "forest bathing") improves relaxation and reduces stress. A busy urban environment has exactly the opposite effects of stimulating the fear and anxiety centres in the brain. Spending more time on a mountain bike may also develop personal habits to be more green and friendly to the environment.⁵⁰

Additionally, the AusCycling report found that mountain biking delivers significant social and environmental benefits, including:

"Mountain biking also has various social and health benefits, including:

- Improved mental and physical health outcomes (which can result in reduced health care costs, and enhanced productivity)
- Increased community connection and reduced isolation
- Opportunities for friends and families to socialise and spend time together
- Provides an outdoor classroom for children to learn about nature, culture and history while being active
- Is a form of 'green exercise', with research suggesting that undertaking exercise in natural environments results in greater benefits than the activity alone
- Wider uses and benefits of trails (e.g. shared use trails are often used by walkers, runners and horse riders)
- Provides opportunities for people to volunteer and cooperate to achieve a positive outcome"⁵¹

Further, the report noted that physical activities, such as mountain biking contribute towards higher societal productivity, through a reduction in absenteeism and presenteeism in the workplace, due to improved physical and mental health. It noted that mountain biking can also result in social and community cohesion, and reduced isolation, seen through the reduction of crime and other anti-social behaviour. "Value in the sport and recreation sector is also generated through volunteering, with large numbers of people cooperating to achieve positive sport and active recreation outcomes. Specific to mountain biking, this is often in the form of trail building and maintenance, or club/event officials"⁵².

The report also noted that mountain biking leads to environmental benefits through contributions to conservation efforts and preservation of natural areas and providing access to open space for communities to enjoy and nurture, "particularly in areas currently experiencing and forecast to experience high population growth and expansion (such as the outskirts of capital cities)"⁵³, which fits with Bindoon.

The benefits of mountain bike riding is particularly important as these benefits are being delivered to a traditionally at-risk and hard to reach segment of the population. Mountain bike riders are made up a high percentage of people who are:

⁵⁰ Bindoon Mountain Bike and Adventure Park Feasibility Study, Breakaway Tourism, 2019, page 161

⁵¹ Mountain Biking in Australia: An Economic and Participation Analysis, AusCycling, 9 March 2021, page 23

⁵² Mountain Biking in Australia: An Economic and Participation Analysis, AusCycling, 9 March 2021, page 24

⁵³ Mountain Biking in Australia: An Economic and Participation Analysis, AusCycling, 9 March 2021, page 22

- Male participants aged 26-50 years
- More likely to include those who have turned their back on traditional school-based and institutional sport practices
- Attracted to risk-taking

In addition, the feasibility study into this project found that there are numerous case studies which all deliver a consistent message of broad community benefits when a mountain bike trail has been developed well. These include are detailed in the below figure:



Figure 6b: Case Study Community Benefits

2.2 Project Description

The Shire of Chittering has purchased Lot 3874 in Bindoon for this project, which comprises 95.21 hectares, as shown in the below images.



Figure: Project Area Site Analysis

Figure 2 - Site of the Bindoon Mountain Bike Park

⁵⁴ Bindoon Mountain Bike and Adventure Park Feasibility Study, Breakaway Tourism, 2019, page 160



Figure 3 - Location of site compared to Bindoon main street

Electricity, town water and telephone services are available at the south eastern corner of the property. There are no established built formations on the property with the exception of a telecommunications tower and power lines located on the northern end of the hill's crest. A review of the land also found Review of the land found no Aboriginal Sites or Other Heritage Places and no Historic Heritage Places (Heritage Council).

Importantly, the location of the following key existing businesses create opportunistic synergies with the proposed development:

1. Bindoon Sporting and Recreation Association (Chinkabee Complex): The location of this building is directly adjacent to the proposed trail hub or lay down/parking area. The building has a highly functional internal layout and opportunities can be explored that may benefit the Sporting Club operations and create an additional layer of convenience for the proposed mountain bike and adventure park site.
2. Chittering Health Centre: Mountain biking by its very nature does have an element of risk for the rider and injury can happen. Having medical services such as the Chittering Health Centre at the base of the proposed site creates an additional level of appeal to the market segment who, at most other mountain biking trail locations, typically need to travel some distance to seek medical attention if required.
3. Shire of Chittering Administration and Works Depot: Located opposite the site on the Great Northern Highway within a short walk or drive may provide ease of access for service and maintenance personnel.
4. The Shire of Chittering is also planning to develop a tourist park (caravan, camping and cabin park) following the completion of a Feasibility Study in 2018. The proposed land parcel for a tourist park is co-located with the land for the mountain bike park and may be a critical element of sustainable operations with the provision of affordable accommodation, caravan and camping to meet the needs of visitors to a mountain bike and adventure park attraction. The Shire is currently seeking quotes for the construction of a camping area, ablutions, no-frills lodging and camp kitchen/laundry to go on this site adjacent to the proposed park.



Figure 4 - View of the site⁵⁵

For a mountain bike trail network to be successful, one of the key requirements is a suitable landform with relevant topography. The purchased site at Lot 3874, Bindoon aligns with all the necessary key features to enable quality design conceptualisation.

- The primary site is large to allow for a variety of activities and features to be developed plus, should demand dictate, the size of the site can accommodate future expansion requirements
- The site has great topography, which lends to sustainable development principles being applied. The variations in landforms also provided the opportunity to design trails which suit all skill levels
- The site has great elevation, a key factor in creating a trail network which can facilitate a range of high-end rider experiences
- The proximity of the site to the Bindoon town centre (less than 300m from the trail head), offers an opportunity for local business stimulation
- Access to Bindoon from the major metropolitan base of Perth is less than an hour's drive away
- Supporting the above attributes is the existing services and infrastructure framework which can support and grow with any potential visitation increase. Many mountain bike trail networks are somewhat isolated from the closest town centre, which largely dictates the need for those styles of development to contain all services in house, adding to resources required and cost of infrastructure. Because of the short distance between the subject site and Bindoon town centre, minimal duplication of services will be required moreover, co-location initiatives can be structured to maximise benefits for the local community and businesses.

Some key design objectives to maximise the site benefits have been considered in designing the park, such as:

- Utilise the natural contours of the site to minimise construction activity
- Minimise clearing and vegetation removal
- Implement a forward-thinking design to ensure ongoing maintenance and sustainability can be better managed
- Create rider experiences for all skill levels
- Consider the consultation and survey feedback to ensure the design concept is market relevant
- Create easy trail linkages for safe and measured rider skill progression
- Install comfortable and inviting infrastructure to encourage non-riders to visit

⁵⁵ Bindoon Mountain Bike and Adventure Park Feasibility Study, Breakaway Tourism, 2019, page 38

- Future proof the design to keep up with market trends
- Stage the design to align with funding allocations and to offer marketable rider experiences
- Take advantage of the proximity to existing infrastructure and the proximity to the Bindoon town centre
- Create sustainable revenue and add-on revenue streams
- Include additional onsite activities such as an adventure park to create a development which is appealing to a broader market segment⁵⁶
-



The International Mountain Biking Association of Australia (IMBA) has developed a rating system for mountain bike trails as shown in the guide below. The Bindoon Mountain Bike Park, stage 1, which is the subject of this business case, will deliver 8 trails ranging from Green to Black (single black).

7.0 Trail Difficulty Rating System - User Guide

	Very easy  White Circle	Easy  Green Circle	Intermediate  Blue Square	Difficult  Single Black Diamond	Extreme  Double Black Diamond
Description	Likely to be a fire road or wide single track with a gentle gradient, smooth surface and free of obstacles. Frequent encounters are likely with other cyclists, walkers, runners and horse riders.	Likely to be a combination of fire road or wide single track with a gentle gradient, smooth surface and relatively free of unavoidable obstacles. Short sections may exceed these criteria. Frequent encounters are likely with walkers, runners, horse riders and other cyclists.	Likely to be a single trail with moderate gradients, variable surface and obstacles.	Likely to be a challenging single trail with steep gradients, variable surface and many obstacles.	Extremely difficult trails will incorporate very steep gradients, highly variable surface and unavoidable, severe obstacles.
Suitable for	Beginner/ novice cyclists. Basic bike skills required. Suitable for most bikes.	Beginner/ novice mountain bikers. Basic mountain bike skills required. Suitable for off-road bikes.	Skilled mountain bikers. Suitable for mountain bikes.	Experienced mountain bikers with good skills. Suitable for better quality mountain bikes.	Highly experienced mountain bikers with excellent skills. Suitable for quality mountain bikes.
Fitness Level	Most people in good health.	Most people in good health.	A good standard of fitness.	Higher level of fitness.	Higher level of fitness.
Trail Width	Two riders can ride side by side.	Shoulder width or greater.	Handlebar width or greater.	Can be less than handlebar width.	Can be less than handlebar width.
Trail Surface and obstacles	Hardened with no challenging features on the trail.	Mostly firm and stable. Trail may have obstacles such as logs, roots and rocks.	Possible sections of rocky or loose tread. Trail will have obstacles such as logs, roots and rocks.	Variable and challenging. Unavoidable obstacles such as logs, roots, rocks drop-offs or constructed obstacles.	Widely variable and unpredictable. Expect large, committing and unavoidable obstacles.
Trail Gradient	Climbs and descents are mostly shallow.	Climbs and descents are mostly shallow., but trail may include some moderately steep sections.	Mostly moderate gradients but may include steep sections.	Contains steeper descents or climbs.	Expect prolonged steep, loose and rocky descents or climbs.

⁵⁶ Bindoon Mountain Bike and Adventure Park Feasibility Study, Breakaway Tourism, 2019, page 17

⁵⁷ IMBA - Australia Trail Difficulty Rating System, page 7, (accessed at http://www.cmbc.com.au/uploads/kentishlatrobe/IMBA_Australia_Trail_Difficulty_Rating_System-July_2012.pdf)

Three Chillies Trail Design were engaged as part of the feasibility study in 2018 to develop a concept design for the complete park and have since developed a masterplan for the whole facility and completed detailed design for the Stage 1, which will be undertaken through this project. The Department of Parks and Wildlife (DPaW), in conjunction with WestCycle and the West Australian Mountain Bike Association has published the WA Mountain Bike Management Guidelines. The objective of the guidelines is to provide guidance to ensure a consistent approach to planning, designing, constructing and managing sustainable mountain bike trails across the State. Much of the guidelines relate to trail planning in DPaW estate such as State Forests and National Parks, however many best practice principles in planning, design and construction apply more generally. Much of these are based on published IMBA standards and these principles have been followed in the planning and design of this Bindoon Mountain Bike Park.

The majority of the works will be completed as part of Stage 1, with additional trails and a pump jump with adventure skills to be added in subsequent stages. The project will deliver 8 trails, with a total trail length of 12,998m. Works to be completed as part of this Stage 1 project include:

ITEM	QUANTITY	LENGTH/AREA
Trail Head, Carpark, Trail Hub		3000m ²
Signage		
Green Circuit Walk/Ride Trail	1	5223m
Black Trails	2	1900m
Blue Trails	3	4174m
Green Trails	2	1701m
Shuttle Road		2000m
Midline Point		250m ²
Summit Point		1500m ²
Road Uplift, Emergency Access Points and Fencing		
Rest Areas		
Marketing of Trails		

Trail Head, Carpark, Trail Hub - The Trail Head is essentially the entry point or hub point of the development and is accessed easily from Great Northern Highway, creating opportunities to benefit from the proximity to the Bindoon townsite and the ability to co-locate some services via existing buildings such as the sports complex. The Trail Head area will be developed to cater for large groups with ample parking made available. A simple building design to house activities such as reception, kiosk, bike hire and maintenance, bike lockers and storage, as well as ablutions has been prepared and also encompasses a large central covered area to be built as the main communal area, which will be fitted out with timber table and bench seating under the roof for year-round customer comfort. To ensure there is adequate and comfortable areas for non-riders, a number of covered BBQ seating areas will be built, which aligns with the methodology to include the family/friends of riders and adventure park enthusiasts to also visit the Park.

The Trail Head will all be constructed on land that is currently owned by the Shire freehold, 6 Woolah Rise, Bindoon (bottom left of Figure 2). This land will be joined with the purchased Lot 3874, which will be the site of the trails. The proposed tourist park encompassing camping and lodging sites that is not part of this project will also be constructed on 6 Woolah Rise, in close proximity to the Trail Head.

Signage - A range of signage will be installed to provide varying layers of benefits, safety and education to all users, as well as to direct visitors to the park from the main access roads. Signage will also be placed at each trail head and to direct users around the trails.

Green Circuit Walk/ Ride Trail - The green trail will be developed as a smoother surface trail, with trail surfacing used if/where required. This single direction (clockwise) trail is for walkers and riders. The trail hugs the boundary line of the property and performs a number of 'roles'. The initial role is

designed to give the beginner riders a fun trail to ride on and gives walkers access to the whole area. It also acts as the access trail to a number of different rated climbing trails, as well as acting as the return trail for all the descending trails to shuttle bus routes.

Black Trail Areas - The trails combination is a mixture of climbing and descending trails, with the main focus being on the descending trails. A broad range of styles from technical cross country/downhill trails to the more manmade jump/flow style trail are also included. The more heavily vegetated bush section on the Western section facing the Bindoon town site has the more technical handmade style trails created, so as to make the trail network on this face have a minimal visual impact from the Town site and Great Northern Highway. Careful alignment principles have been considered to allow for the linking of trails together, so it is possible to have alternate and varying riding experiences on the hill via the interchangeable nature of the linkage, allowing riders to swap from blue to black trails with ease as their confidence and skill levels progress. It also enhances the rider experience by offering this change up with easy access and linkage trails.

Blue Trail Areas - These areas will be developed in a staged approach, with an initial 3 trails created under this project. The trails in this area are a mixture of climbing and descending trails, with the main focus on the descending trails offering with a broad range of styles from technical cross country/downhill trails to the more man-made Jump/Flow style trail.

Green Trail Areas – An initial 2 trails will be developed under this stage. The trails in this area will be descending trails as there is the Green Circuit Trail as the climb.

Midline Point - The Mid-Line point allows riders to use this area as an additional start point rather than having to keep climbing back to the summit point. With key linkages close by, this is beneficial for riders who are looking to safely increase their skill levels.

Summit Point - As it describes is the main Summit Point of the trail development where riders can access most of the start points of each trail. Largely all trail combinations can be accessed from here. This area is also used for the drop off and turn around point for the uplift shuttle bus.

Road Uplift - The road uplift will be an access track from which a shuttle bus can operate taking riders to and from the trailhead and the base of the trails the summit point.

Emergency Access Points - These points are established to create easy access for emergency services should there be a need if a rider is injured or other medical emergencies.

Public Conveniences - This design concept has included additional toilets on the hill at a high point on the trail network. This will be important to ensure riders don't need to travel all the way back to the trail head.

Fencing – 4,100m of fencing will be installed/upgraded at various points to keep people off private land, away from dangerous areas and to corral people in the right direction.

Rest Areas - To align with the consultation feedback, there will be a range of simple rest or recovery/seating areas situated around the trails and the Park. A large, covered seating area at the summit will also allow riders/users to prepare/recover or soak up the spectacular scenery prior to their next trail attempt.

Marketing of Trails – In order to attract as many visitors as possible, the project will develop a brand, website, social media campaign, promotional t-shirts and merchandise.

The location of the various different colour-rated trails is shown in the below image (also in the attached Concept Design document at Attachment 5).

MASTERPLAN

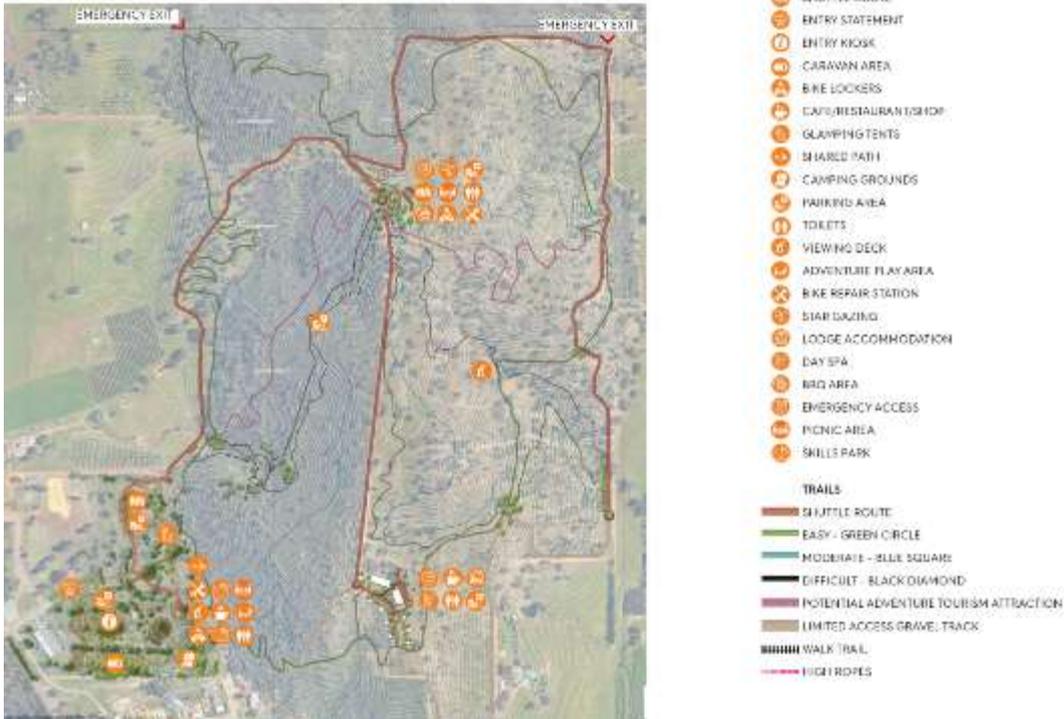


Figure 5 – Trails Masterplan - Green, blue and black trails locations

Detailed Design has now been complete. Excerpts from the Detailed Design are provided below, with the full document provided at Attachment 1.

TRAILHEAD MASTERPLAN



Figure 6 - Detailed Design - Trail Head



Figure 7 - Ablutions Block

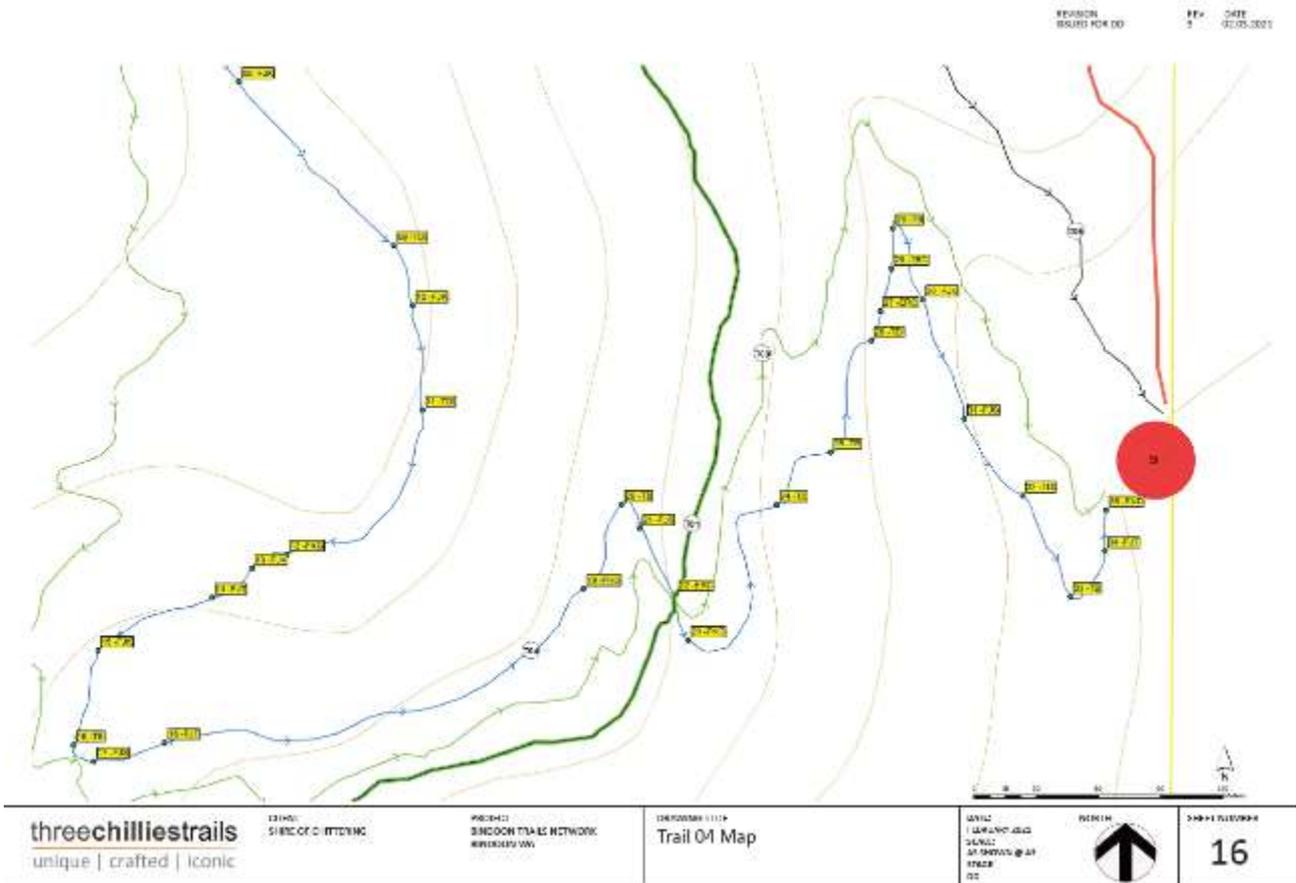


Figure 8 - Trails detailed design

The Shire has commenced the process of preparing development applications and necessary permits. An environmental consultant completed the necessary spring flora survey in early spring 2021, which found that the project will not have negative environmental impacts and will support the request for development application approval.

The Shire of Chittering has obtained expert advice in regard to the required approvals for works to commence:

- The Shire will need to obtain Development Approval, which will incorporate the completed environmental survey and the bushfire management plan. (3 month timeframe. Process already commenced and will be complete by 21 April 2022.)
- Clearing Permits may be required and will form a separate application and approval process, outside of the above Development Approval process. A clearing permit takes 60 days and will only be needed for portions of a small number of trails.
- Building Permits will be required for the hard infrastructure. These permits are the responsibility of the Shire to assess. (2 week timeframe)
- Department of Health approvals for the ablution facilities will be required. This is provided via the Shire's Environmental Health Officer. (2 week timeframe)

The majority of these approvals and permits are ones that the Shire themselves is responsible for assessing and can therefore be completed in short timeframes. All approvals are expected to be completed by April 2022. The project will therefore be ready to commence immediately after funding approval, with construction commencing within 12 weeks of the funding agreement being signed.

2.3 Policy and Strategic Framework

This project is in direct alignment with Federal, State, Regional and Local policies and strategic frameworks.

2.3.1 Australian Government

SPORTS 2030

The Australian Government's national sport plan, Sport 2030, articulates a clear vision for sport in Australia, being to ensure Australia is the world's most active and healthy nation, known for integrity and sporting success.

The plan acknowledges that fewer Australians are engaging in physical activity and that this needs to be addressed. It aims to build a more active Australia and reduce inactivity amongst Australians by 15 per cent by 2030.

To reach this aim, the plan is promoting changes to strengthen the sports industry and uses the mountain bike trails in Tasmania as a case study. It states that using the existing strengths of our communities, regions and natural environment is the way forward.

Additionally, the plan recognises that,

"The way we live, work and engage in sport has changed. Australia has changed around sport. Where once people planned their weeks around sporting and physical activity, today many Australians now look for sporting and physical activities that work around their week. Sport is more fragmented. Traditional sports now compete with less organised physical activities such as yoga, bushwalking, cycling, gym and parkruns for the physical activity demands of Australians."

It is therefore clear that this project is in direct alignment with the Australian Government's sporting industry focus.

TOURISM 2030 STRATEGY (UNDER DEVELOPMENT)

In 2019, Austrade, in conjunction with Tourism Australia, commenced the development of Australia's next national long-term tourism strategy. It was being formulated in cooperation with state and territory governments and the tourism industry. This work is currently on hold while industry and government focus on tourism recovery from the impacts of COVID-19, however, documents available

on the Austrade website shows that the need for a regional focus has been identified as key area for consideration in developing the Tourism 2030 strategy⁵⁸.

2.3.2 WA State Government and State bodies

Strategic Directions for the Western Australian Sport and Recreation Industry 2016-2020, Department of Sport and Recreation

This document highlights the importance of cycling and outdoor adventure activities, stating,

“Almost two-thirds of Western Australian children ride a bicycle, and over half rollerblade or ride a skateboard or a scooter. Participation in these recreational activities is higher than in any organised sport.”

It also highlights the decreasing activity levels within the population and the negative impact this has on public health.

The document then investigates how the sport and recreation industry in Western Australia can tackle the current and emerging issues by addressing challenges and opportunities. One of the opportunities is identified as Adventure and Outdoor Recreation, about which it states,

“Urban-based lifestyles have revitalised interest in being active outdoors and returning to the natural environment. The flexibility of involvement in unstructured outdoor activities such as bush-walking and mountain-biking is appealing to an increasingly time-poor community. At the same time, there is a desire for greater adventure and alternate sports and recreational pursuits with a thrill-seeking component particularly among younger people.

The pristine natural environments of Western Australia are a strong drawcard for international visitors. A large percentage of visitors to the state engage in nature-based activities. There is also a growing recognition of the link between outdoor recreation and conservation, with strong interest in eco-tourism and connecting people to the outdoors in sustainable ways.

*It is **vital that this growth in outdoor recreation and adventure activities is matched by the provision of quality products, services and facilities** that enhance the experience of participants, while keeping participants safe and sustaining the natural environment. Availability of trained guides and instructors, accessible education for participants and clear communication of information will all be fundamental to the development and value of this growing market. Expansion of strategies and activities by industry should be closely aligned to ‘Regional Blueprints’ which guide investment in future outdoor recreation and adventure amenities.*

Challenge:

Western Australia is a destination point for numerous adventure and outdoor recreation pursuits. Stakeholders from the public, private and community sectors must engage collaboratively to deliver high-quality activities, services and facilities to satisfy and sustain the growing demand, while protecting the environments where these activities take place.”⁵⁹ (our emphasis)

This project clearly aligns to the identified need to tackle an increasingly sedentary lifestyle by encouraging people into activities they are naturally heading towards through the provision of quality, exciting infrastructure in an easily accessible location.

WEST AUSTRALIAN CYCLE TOURISM STRATEGY, 2018

This Strategy highlights the need for a statewide network of sustainable trails to address the increasing imbalance between supply and demand for bike trails in WA. The Strategy recommended regional master planning and the establishment of a development process to ensure that all aspects of trail planning, design, construction and maintenance are realised in a sustainable manner. The

⁵⁸ Austrade website, Tourism 2030 Strategy update (accessed at <https://www.austrade.gov.au/Australian/Tourism/Policy-and-Strategy/tourism-2030>)

⁵⁹ Strategic Directions for the Western Australian Sport and Recreation Industry 2016-2020, Department of Sport and Recreation, page 18

need for marketing to realise the tourism and participation of mountain biking was identified, with the potential to unlock significant benefits in tourism, local community engagement and enjoyment, increased participation in healthy outdoors activity and economic benefits to local businesses.

The Strategy highlights the huge potential that cycling has for international, interstate and intrastate visitors for WA.

In relation to investment in cycling experiences, the Strategy states that it should be guided by an overarching assessment criteria based on:

1. Activities which raise awareness of the destination
2. Those activities which encourage and support dispersal to regional areas
3. Those markets and user cohorts who will provide the greatest return in the shortest time⁶⁰

This project addresses all of those criteria.



WESTERN AUSTRALIAN MOUNTAIN BIKE STRATEGY, 2015 -2020

This project was designed based on the state mountain bike strategy. It specifically aligns to the following recommendations of the strategy:

STRATEGIES		RECOMMENDATIONS		ALIGNMENT
2.1	Reduce barriers to participation and grow a healthy, balanced mountain bike community	2.1.2	Increase the availability and accessibility of different styles of trail offering different levels of technical difficulty	Deliver new trails and facilities catering for a range of skill levels and interests
		2.1.4	Develop trails within or in close proximity to population centres	Create local community facilities and trail linkages. Develop a model for future subdivisions.
		2.1.7	Enhance availability and accessibility of bike and equipment hire	Create commercial opportunities for local businesses – eg bike and equipment hire in Bindoon.
3.1	Develop a statewide network of national, regional and local mountain bike facilities	3.1.2	Undertake regional master planning to identify and prioritise locations for mountain bike facilities	Contribute the Chittering Master plan as an component of the regional plan

⁶⁰ West Australian Cycle Tourism Strategy, 2018, Page 5

3.2	Enhance the understanding of the need for sustainable trail development	3.2.3	Continue to work with local, national and international experts to upskill and understand sustainability best practice	Involvement of TC Trail Design in planning and construction of trails and facilities
3.3	Facilitate sustainable trail development in environmentally, socially and culturally appropriate areas	3.3.1	Establish and implement a development process to guide local trail planning and take trails from conception to implementation	Adoption of mountain bike development framework developed by Department of Parks and Wildlife (DPaW)
		3.3.2	Develop and apply general principles to provide clear benchmarks for sustainable trail planning, design, construction and maintenance	Conformance with DPaW mountain bike development guidelines and International Mountain Bike Association (IMBA) trails development best practice principles.
3.4	Build the Western Australian trails industry	3.4.1	Support the development of the Western Australian trails industry to partner landowners, land managers and volunteers in trail planning, design, construction and maintenance	Involvement of TC Trail Design in planning and construction of trails and facilities
3.5	Implement appropriate trail maintenance options	3.5.1	Develop a maintenance plan for existing sanctioned trails and include as part of the planning process for every new or rejuvenated trail	Maintenance plans to be developed as part of detailed trail design phase
4.1	Build awareness and recognition of the benefits and value of mountain biking	4.1.1	Advocate the economic, tourism, environmental, health, social and community benefits and value of mountain biking to landowners, land managers, other stakeholders and the wider public	The Chittering Master Plan will provide a new mechanism for attracting day trips to the area, with strategic placement of regionally significant facilities close to the key commercial centre.
4.2	Enhance the recreational and tourism profile of Western Australian mountain biking	4.2.3	Integrate mountain biking with other recreational activities, attractions, infrastructure and services	By providing a destination activity to complement existing tourism services and creating a new promotional focus for day tourism.
5.2	Establish a self-sustaining mountain bike community with reduced reliance on government support	5.2.5	Explore opportunities to secure the direct application of developer contributions to mountain biking infrastructure	Integrating MTB facility planning into new subdivision development process

Figure 9 - Alignment to State Mountain Bike Strategy⁶¹

STATE SPORTING INFRASTRUCTURE PLAN REVIEW, DEPARTMENT OF LOCAL GOVERNMENT, SPORT AND CULTURAL INDUSTRIES, 2019

This document states that,

- The combined socio-economic value of sport in WA has been estimated to be \$9.2 billion in 2017, including economic, health and education benefits. This represents a return of \$7 for every dollar invested
- The sport and physical recreation industry supported approximately 24,000 jobs in Western Australia in 2017

⁶¹ Western Australian Mountain Bike Strategy, 2015 -2020, Page 6

- As an industry, WA based sports and physical recreation generated approximately \$1.4 billion of income in FY2011/12, equivalent to \$1.6 billion in 2018
- In 2017, WA sporting volunteers contributed an estimated 18 million hours from 200,000 volunteers, equivalent to 9,700 FTEs and
- Regular participation in sport and active recreation contributes to a 4% sustainable increase in productivity for workers.⁶²

The document details how sporting infrastructure is aligned with the WA State Government policies of:

- A strong economy
 - Create jobs
 - Repair the State's finances
- A bright future
 - Improve the health and wellbeing of children in the early years
 - Increase student reading and numeracy
 - Increase participation in STEM
- A liveable environment
- Aboriginal wellbeing
- Regional prosperity
 - Deliver stronger regional economies

STRATEGIC PRIORITIES FOR WA SPORT, SPORTS WEST

SportWest is the independent peak industry body for sport in Western Australia. This project aligns to their strategic direction for sport in WA in a number of areas⁶³:

Priority 4: "Greater investment in the supply of sport and recreation facilities in both outer metropolitan growth areas and areas of urban infill is required." This project provides exactly that, a mountain bike and adventure park on the outskirts of Perth, just past the metropolitan area.

Priority 7: "Sports and other service deliverers need to collaborate better to improve access to sport in regional areas." This project will increase the access to cycling sports in the regions to the north of Perth, where there is currently no mountain bike park.

2.3.3 Regional and Local Strategies

NORTHERN GROWTH ALLIANCE TOURISM STRATEGY, 2019, WHEATBELT DEVELOPMENT COMMISSION

This document was prepared through the State Government's Wheatbelt Development Commission as a tourism growth strategy for the Northern Growth Alliance (Alliance), comprising the Wheatbelt Shires of Chittering, Dandaragan and Gingin.

The document identified a long-term action and project for the Shire of Chittering being to "Explore adventure tourism opportunities", including Mountain biking and BMX/Motocross.

CHITTERING TRAILS NETWORK MASTER PLAN 2013 - 2023

The Trails Masterplan identifies both the need for and lack of trails for mountain bikes. No mountain bike specific trails were included in the current trail inventory in the Shire, with only the 620m Lake

⁶² State Sporting Infrastructure Plan Review, Department of Local Government, Sport and Cultural Industries, 2019, page 1

⁶³ Strategic Priorities for WA Sport, Sports West, 2020, Page 11

Needonga Walk Trail listed as being available for bikes. A mountain bike trail and / or park was mentioned as a way of attracting visitors to the area.

CHITTERING MOUNTAIN BIKE TRAILS MASTERPLAN, 2016

The Shire of Chittering prepared the Chittering Mountain Bike Trails Masterplan based on the State, Regional and Local planning documents, as can be seen in the image below:



Figure 10 - Alignment to Plans⁶⁴

The masterplan and all subsequent project planning was also based on the Western Australian Mountain Bike Guidelines. The masterplan led to the completion of the feasibility study for this project and both documents have been referenced throughout, demonstrating clear alignment.

SHIRE OF CHITTERING STRATEGIC COMMUNITY PLAN 2012-2022 AND SHIRE OF CHITTERING ECONOMIC DEVELOPMENT STRATEGY 2021-2031

The following key priorities, relevant to this project, were identified in the Shire of Chittering Economic Development Strategy and the Strategic Community Plan, as the way forward for the Shire:

- Promote our local environment with places to visit Chittering: a place to visit. This will be undertaken through the enactment of the Trails Network Master Plan.
- Promote Chittering as a sound place to invest to grow local businesses. There will be a focus on our identified locational advantages of Lifestyle, Location, Community and Climate.
- Promote the Visitor Centre Chittering: a place to visit. To be undertaken through the preparation of a Tourism Action Plan.

The Economic Development Strategy identifies tourism as being an area the Shire has above average competitive advantage, with opportunities existing to develop that industry further. Outcome three for the Shire in this Strategy is Increased Visitors. A specific Chittering Tourism Strategy is appended to the Economic Development Strategy, indicating the key role tourism plays in the Chittering economy. This project is also included in it Trails appendix to the Economic Development Strategy, which highlights that bike trails need to be added to the existing, popular walking trails.

⁶⁴ Chittering Mountain Bike Trails Masterplan, 2016 Page 5

The Strategy states,

“Natural surroundings, and flora and fauna make Chittering an interesting and relaxing place to visit. Increasing walking and riding trails through the Shire provides a growing opportunity for tourists and locals to enjoy the best of the outdoors, and mixing these experiences with agritourism and dark sky tourism offerings. The planned **Bindoon Mountain Bike Park** has an opportunity to economically activate Bindoon, and further walk trails in Djidi-Djidi Ridge and Avon National Park will provide drawcards for the southern parts of the Shire.”

Additionally, other planned tourism activities in the Strategy, such as the caravan park and dark sky astrotourism development assume the development of the mountain bike park, which will enable those activities.

SHIRE OF CHITTERING SPORT AND RECREATION PLAN 2012-2022

The Shire’s Sport and Recreation Plan provides a coordinated and strategic approach to sport and recreation facility development and planning based on identified community need and ensures that a range of sport and recreation development, training and funding programs and services are provided to the community. This plan includes the mountain bike trails focus for the Shire and also notes the need to “Investigate new recreation facilities to meet the needs of the growing population in Bindoon.”⁶⁵

SHIRE OF CHITTERING COVID-19 ECONOMIC RECOVERY PLAN

The project is of particular importance and urgency as it has been identified as a part of the Shire’s plan to mitigate the economic losses of COVID-19, through the Shire’s COVID-19 Economic Recovery Plan.

The plan noted that the biggest affected sectors of the Chittering economy were Accommodation and Food Services, Information Media and Telecommunications, Arts and Recreation Services and Retail Trade. These 4 sectors make up 10% of Chittering’s economy and 93% of tourism spending is in these four sectors. Tourism had come to a temporary halt with movement restrictions drastically reducing tourism visitors both domestically and internationally. Some businesses in Chittering had been forced to close their doors.

The expected economic benefit that this project will deliver to the Shire to mitigate the COVID19 impacts on the tourism industry is explored in *Section 2.6 Economic and Financial Analyses*.

2.4 Stakeholder Engagement and Consultation

The Shire of Chittering has undertaken considerable stakeholder engagement and consultation throughout the development of this project. The preparation of all Shire community strategic plans and the Sport and Recreation Plan have involved consultation with the community about this project. The Shire has also consulted with the mountain bike peak body for WA, Westcycle, as have the consultants engaged to complete study and design works for the project.

During the feasibility study in 2019, consultation included:

- A ‘Proposed Bindoon Mountain Bike Park’ public consultation survey was undertaken between the 9th and 30th April 2019. This survey was distributed to stakeholders, schools in the Perth metropolitan and local area and via social media.
- Social Media Survey Distributors included

⁶⁵ Shire of Chittering Sport and Recreation Plan 2012-2022, Page 25

- Visit Chittering
- Chittering Visitor Centre & Post Office
- Mountain Bike Australia
- WestCycle
- WA Mountain Biking Association
- Bicycling WA
- Outdoors WA
- Trails WA
- Department of Local Government, Sport and Cultural Industries – Wheatbelt
- Clubs WA
- Moore River Region
- Mountain Bike WA
- WA 4WD Association
- Kalamunda Mountain Bike Community
- Kalamunda Mountain Bike Collective
- Southern Hills Mountain Bikers
- Perth Mountain Bike Club
- Huck to Flat
- There were 824 respondents to the survey from across WA. There was overwhelming support for the project (96.1%) interested in using the facility, with only 1.1% not interested.
- The feasibility study consultants also conducted interviews and consultation via a range of communication methods including face to face, teleconference, and email correspondence. Interviewees included a selection of mountain bike sector-related stakeholders (State and National) and were chosen for their capacity to provide further research materials and specialist industry/agency insights.
- Stakeholders consulted included
 - Shire of Chittering
 - Chittering Tourist Association & Visitor Centre [Amy McCauliffe]
 - Mountain Bike Australia [Denise Cox]
 - Outdoors WA [Jamie Bennett]
 - WestCycle; and WA Mountain Biking Association - WAMBA [Matt Fulton]
 - Wheatbelt Development Commission [Emily Comber]
 - Jump and Pump Nation, and Trail Design [Ian Humphrey]
 - Department of Local Government, Sport & Cultural Industries (DLGSC) – Sport & Recreation /Trails WA [Steve Bennett]
 - Forest Edge Recreation Camp [Graeme Watson]
 - Perth Trail Series [Melina Mellino]
 - Tourism WA [Renata Lowe]
 - Three Chillies Trail Design [Paul Neve]
 - Rock and Roll Mountain Biking [Mark Wardle]
 - Koya Aboriginal Corporation – Aboriginal Nature Trekz [Quinton Tucker]
 - Peel Regional Trails Strategy Presentation – Common Ground [David Willcox]
 - Wavecrest Tours [Rick Besso]
 - Caravan Industry Association of WA [Craig Kenyon]
 - Orienteering WA [Hadrien Devillepoix]

In addition, the Shire conducted further consultation in August 2020, with an extensive community consultation process undertaken to maximise community engagement. The objective of the communication and consultation process was to inform the Chittering community of the development opportunity of this proposed Mountain Bike Park in Bindoon, and to gauge the level of community support for the project.

The following communication methods were undertaken in distributing and collecting information from the community:

- 4 information sessions in various locations across the Shire, including a pop up MTB track, food truck and presentation from DLGSC



Figure 11 - Community information session

- An advert with an accompanying feature article in the Northern Valleys News (August edition)
- Hard-copy letters and surveys mailed to those on the Shires “Keep Me Posted” post mailing list
- Shire Website:
 - Dedicated project page with information on the project and links to the survey
 - News articles on the home page relating to information sessions and the survey
 - A page with a link to the survey on the Shire’s “Have Your Say” web page
- Poster distribution in several locations in the Shire to advertise information sessions
- Conducted a community survey, Community survey and received 400 responses, which is almost unheard of in the Shire. 93% were supportive of a mountain bike project in Bindoon.
- Email distribution:
 - 600+ emails in the Shires email communication database
 - Business email list
 - Sporting and community groups
 - Schools in Chittering
- Facebook:
 - Over 150 followers overnight as soon as the page was established
 - Several posts regarding the information sessions, project page and survey
 - Posts in the Shire’s “Have Your Say” resident opinion group
 - Event page creation for information sessions
- Radio interview inclusion in the Shire’s “Around the Towns” segment on Triple M Avon Valley and feature interview with CEO on ABC Radio Midwest and Wheatbelt
- Undertook a January twilight visit for people to explore the proposed site.
- Steering group bus trip is scheduled to other trails to capture learnings.

MOUNTAIN BIKE & ADVENTURE PARK IN BINDOON SURVEY RESULTS 2020



384 Survey Responses



93% in favour



Most appealing features (in order);

- 1. Mountain bike trails**
- 2. Walking trails**
- 3. Barbecue/picnic and summit point**
- 4. Toilets/Showers**
- 5. Additional co-located attractions**
- 6. Caravan and accommodation facilities**
- 7. Chairlift for people and bikes**



65% would like it built now, not later



**A complete mountain bike and adventure park
would be frequented 62% more, each year, than a
few trails**



Figure 12 - Results of community survey in 2020

In 2021 several members from the online group “Chittering Mountain Bike Group” (currently has over 150 members) met with Euan Martin, Shire of Chittering representative, and manager of the Bindoon Mountain Bike Park project to discuss the possibility of starting a mountain bike club in Chittering. The need to start a local mountain bike group was proposed for several reasons, including;

- Providing an independent voice for mountain bikers from the Shire of Chittering
- Advocating for rider facilities, further trails, providing letters of support and a voice to Council
- To provide a sounding board to Shire and State-managed projects
- To assist with fundraising towards mountain bike infrastructure
- To be the local trail custodians (when they are built) and provide information and feedback to the Shire on required maintenance on infrastructure that the Shire may not be aware of

The Club held their first formal meeting on 14 December 2021 during which they provided feedback to the Shire and committed to source as much community or corporate funding for the Mountain Bike project as possible.

2.5 Project Deliverables

This project will deliver considerable benefits, as detailed in the tables below.

	Outputs	Performance Measure	Performance Measure method
1	Stage 1 of the Bindoon Mountain Bike Park completed, as per <i>Section 2.2 Project Description</i>	Completed on time, to scope and within budget.	Practical completion certificate. Photos. Park open to public.

	Outcomes	Performance Measure	Performance Measure method
1	Economic recovery/development of Bindoon and the wider Shire of Chittering	Increased visitors and visitor expenditure Jobs creation	Recorded GRP for the Shire Number of new businesses and jobs in Bindoon/Chittering related to the project, as identified by the businesses, Shire and Chamber of Commerce Park visitor numbers Tourism Research Australia data
2	Improved health and wellbeing for park users	Increased physical activity Increased mental health and wellbeing	Survey of park users Park visitor numbers
3	Increased amenity for the regional community	Delivery of additional sporting and recreational infrastructure – the Park Additional businesses and activities created to capitalise on the increased visitor numbers Increased community satisfaction Increased population attraction and retention	Practical completion certificate. Number of new businesses in Bindoon/Chittering related to the project, as identified by the businesses, Shire and Chamber of Commerce Community satisfaction survey Population numbers

2.6 Economic and Financial Analysis/ Cost Benefit Analysis

A Cost Benefit Analysis (CBA) of the project completed by a qualified economic consulting firm identified a range of direct financial, economic and social benefits. The CBA report considered the attributes of this project, as well as recent growth in rides and visits of mountain bike trails in WA.

“Data from the Western Australian Department of Biodiversity, Conservation and Attractions (DCBA) was provided to RPS by the Shire of Chittering on the number of rides/visits confirmed a number of new and large mountain bike trails and precincts per-urban and regional WA have experienced significant growth in rides and visits in recent years.

Examples of growth include:

- Since its establishment in January 2019, the Murray Valley Mountain Bike Trail has seen the number of rides increase to 21,725 in 2019 to 36,253 in 2020⁶⁶. Data for part of the 2021 year indicates that the number of rides in 2020 are likely to be exceeded again.
- In the year to October 2021, the Goat Farm Mountain Bike Trail in Greenmount, WA saw over 50,000 visits/rides. This likely equates to an annual average number of visits of in excess of 60,000 rides in 2021 calendar year across the 10kms of trails.
- With over 40km of fully signed single-track, the Kalamunda Trails area is the most popular MTB destination in WA⁶⁷. The number of rides in 2020 calendar year approximate 148,000, with data in November 2021 already reaching that same level⁶⁸.

Across these three sets of trails, the number of rides per km ranged in 2020/21 from 3,659 for Kalamunda to 7,200 for Murray Valley. This highlights the popularity of mountain biking generally in Western Australia as well as the potential need for further facilities to meet current and growing Demand. Importantly, the project possesses a series of access and collocation benefits that mean it will be a highly advantageous location for additional mountain bike trail facilities in regional WA ... Based on these attributes, RPS has applied a per km ride rate of 6,667 per year. This rate is less than that of Murray Valley, and broadly comparable than Goat Farm, though is more than the larger facilities at Kalamunda. This is viewed as an appropriate level of demand for the purpose of modelling benefits of the proposed facility.

Additionally, analysis of data from the establishment Murray Valley indicates that the full demand potential of the project is likely to be achieved after a ramp up period. As such, RPS has assumed that the full demand profile (approximately 100,000 visits/rides) of the project won't be reached until the 3 year of operations, growing from 50% (approximately 50,000 visits/rides) in the first year. This is regarded as conservative as similar growth rates were achieved for Murray Valley trails in the second year (90-95% growth in rides per trail).”

The benefits able to be quantified for this project are summarised below:

Benefit	Description and Approach	Calculation Approach
Construction Phase GVA Direct Impact	The direct gross value added generated by capital construction and ongoing maintenance costs. Represents the direct impact on the Chittering construction supply chain from the new capital investment.	Derived for Chittering based on regionalised input output transaction tables for Australia and WA ⁶⁹ , adjusted for Chittering specific location quotients. Estimated at 12.5% of the construction cost of the project captured in the same year as the construction phase.

⁶⁶ Based on data for Year 1, Bam and Boom Boom trails equating 5.0km of the Murray Valley Mountain Bike Trail precinct.

⁶⁷ TrailsWA (2022) Trail Network: Kalamunda Trails accessed at <https://trails.wa.com.au/trails/networks/kalamunda-mtb-trails>

⁶⁸ DCBA (2022) Unpublished Data

⁶⁹ ABS (2019) Australian National Accounts – Input-Output Tables 2017/18

<p>Interstate and International Tourism Direct Expenditure Benefit</p>	<p>Increased interstate and international overnight tourism expenditure will be supported and captured by the proposed tourism asset, bringing new visitors to the area.</p>	<p>Total additional visits to the Shire of Chittering estimated to be 100,000 in the third year. Of these visits, approximately 60% are assumed to be day trip visits from within Western Australia. This is smaller than the current day trip visitor share of 80% (pre-COVID-19) due to the visitor profile of mountain biking.</p> <p>The remainder of visitors are characterised as tourists and includes allowance for 15% of interstate and international visitors. Valued using TRA breakdown of visitors by type for the Shire of Chittering for the 5 years to 2020 (i.e. pre-COVID19)⁷⁰. International and interstate domestic visitor shares are allocated average expenditure rates in line with TRA and Tourism WA estimates⁷¹.</p> <p>Attribution weighting of 25% to reflect project share of additional visitor expenditure to the State of Western Australia.</p>
<p>WA Resident Expenditure Benefits</p>	<p>Additional expenditure by WA residents induced by participation in mountain biking at the subject site.</p>	<p>Valued at \$27.10 per ride/visit⁷². Applied to the 60% of total visits (prorate for years 1 and 2) categorised as WA residents. Attribution weighting of 10% to reflect alternate locations of supply and to prevent double counting of existing sport and recreation expenditure by WA households.</p>
<p>WA Resident Social Value Benefits</p>	<p>Value of health, productivity, social cohesion and human capital benefits of participating in mountain bike riding.</p>	<p>Valued based on individual values outlined in 2.1, excluding consumer surplus/expenditure. Applied per trip/visit as applicable. Attribution weight of 100% due to nexus of benefits to actual activity.</p>
<p>Volunteering benefits</p>	<p>Benefits of volunteering induced from increased sport and recreation activity and facilities.</p>	<p>Estimated at 10 volunteers per year valued at \$3,214 per volunteer.</p>

The CBA found that the project will yield \$20.2 million in benefits under a 3% discount rate or \$14.1 million under the 7% discount rate.

The Benefit Cost Ratio for this project is over 5.0 at all discount rates and exceeds 8.0 at the 3% discount rate scenario and 6.0 at the 7% rate, which demonstrates the significantly high return on investment this project will deliver.

The CBA also assessed the number of jobs expected to be created, using only simple multipliers to make the assessment more conservative. It found that:

- A total of 6 direct and indirect jobs are estimated for the project, inclusive of, and stemming from construction.
- A projected \$0.7m of income is expected to stem from the construction of the project, with overall direct and indirect Gross Value Add projected to reach \$1.3m
- Post-construction, the project will stimulate a total of \$50.2m in Economic Output and over \$23.7m in Gross Value added over the 20 year assessment period.

⁷⁰ Shire of Chittering and Tourism WA annual average estimate (pre-COVID19). Tourism Research Australia (2021) Derived from NVS and IVS unpublished data by RPS, TRA, Canberra

⁷¹ Tourism Research Australia (2021) Derived from NVS and IVS unpublished data by RPS, TRA, Canberra

⁷² GHD (2021) Mountain Biking in Australia: An Economic and Participation Analysis, AusCycling accessed at <https://assets.auscycling.org.au/s3fs-public/2021-03/mountain-biking-in-australia-final-report-march-2021.pdf?sOhdYZLJUG1eZnmPE8yYmFQbbuOqr4m4=>

- A total of 13.5FTE direct and indirect jobs are estimated as a result of the project ongoing.

The CBA report stated that the project represents a new catalytic tourism asset and attraction for the Bindoon community and the wider Chittering economy. The CBA report with all assumptions detailed can be found at Attachment 4.

COVID19 IMPACT AND RECOVERY

The Wheatbelt region and the Shire of Chittering have been negatively impacted by COVID19. In January 2021, Regional Development Australia, Wheatbelt produced the Wheatbelt Tourism Economic Briefing Paper, which found that, prior to COVID, international and domestic visitation to the Wheatbelt Region in 2019 was approximately worth \$387 million with the International expenditure being valued at approximately \$32 million.

“Therefore, it would be reasonable to propose that the closure of international borders in 2020 resulted in an at least immediate 8% decrease of the region’s tourism revenue. While anecdotal evidence suggests that there has been increased domestic visitation to the Wheatbelt during the remainder of 2020 and the 2021 holiday period, it remains to be seen if this has offset the loss of the international expenditure as well as creating issues around labour availability and capacity to adequately deliver tourism services. The international expenditure was driven by around 58,000 visitors of which just over 37,000 spent an average of seven nights in the region spending an estimated \$213 per day on food and accommodation. Overall, the average trip spend for all International visitors to the region was \$482 which was comparatively higher than the domestic visitor trip spend of \$238.”⁷³

Based on an assessment of the Wheatbelt region, the report states:

- Data indicates that the primary area of visitation in the Wheatbelt are the eight shires located in the western regions, including the Shires of Narrogin, Beverley, York, Northam, Toodyay, **Chittering**, Gingin and Dandaragan. Of the shires with the relevant available data in the National Visitor Survey Monthly Snapshot (2020), these eight shires accounted for:
 - 91% of domestic visitors
 - 81% of international visitors
 - 81% of domestic nights
 - 89% of international nights
 - 50% of the region’s tourism businesses
 - 53% of the region’s tourism businesses with 0 employees
 - 46% of the region’s tourism businesses with 1-4 employees
 - 47% of the region’s tourism businesses with 5-19 employees
 - 70% of the region’s tourism businesses with 20 or more employees⁷⁴
- The Western Wheatbelt shires, of which Chittering is one, had
 - the higher percentage of 15-64 years labour force (15%) employed in the tourism sector compared to other Wheatbelt shires
 - A higher percentage of 15-24 years’ work force (20%) employed in the work force in the tourism sector compared to other Wheatbelt shires
 - A significantly higher percentage of 15-24 years labour force (30%) employed in the tourism sector compared to other Wheatbelt shires⁷⁵

Additionally, it found that Tourism Research Australia November 2020 Snapshot² showed that the numbers of visitors in regional WA had fallen by 35,000 between November 2019 and November 2020. Additionally, the number of nights spent in regional areas had decreased by 430,000 which represented a 15% decline. However, despite these falls, there was only a decrease of \$1 million in

⁷³ January 2021 Wheatbelt Tourism Economic Briefing Paper, RDA Wheatbelt, page 3

⁷⁴ January 2021 Wheatbelt Tourism Economic Briefing Paper, RDA Wheatbelt, page 5

⁷⁵ January 2021 Wheatbelt Tourism Economic Briefing Paper, RDA Wheatbelt, page 2

the expenditure in November 2020 compared to the same time in 2019, which shows that domestic tourism has increased, but not enough to cover the impact.

The report concludes that tourism is an important part of the Wheatbelt economy and that COVID travel restrictions have had an impact on the region stating,

- Closure of international borders may have resulted in the loss of 200-226 jobs.
- In the Wheatbelt tourism is an important employer of youth aged 15-24. Across the 8 Western group of shires one third of youth are employed in the tourism sector.⁷⁶

Delving further into the Shire of Chittering specifically, the Shire of Chittering prepared a COVID-19 Economic Recovery Plan, which undertook an assessment of the Chittering economy and the impact COVID19 has had on it. This report found that,

- Chittering has 7.1% (2,162) of total employed people in the Wheatbelt (of 42 Wheatbelt Shires, the 2nd highest number of employed people behind Northam).
- The average household income in Chittering is estimated to be \$100,490 p.a., below the national average of \$116,000. (ABS)⁷⁷
- It is estimated that tourism contributes \$12,021,000 to Chittering’s economy and has been recognised by the Wheatbelt Development Commission as a key industry for growth in the region.
- With \$600million+ of tourism developments in advanced stages of planning, this is a significantly promising sector for increasing Chittering’s rate income in the medium term⁷⁸.

In April/May 2020, the Shire of Chittering surveyed local businesses and received 69 responses, which indicated:

- Of the businesses surveyed, 22% were not trading due to COVID19.
- Most were situated in Bindoon with 9 businesses closed, whilst 4 were from Lower Chittering, 2 from Chittering and 1 from Muchea.
- 36% of businesses had made changes to their workforce. Of these:
 - 58% Temporarily reduced their workforce
 - 17% Placed staff on unpaid leave
 - 17% Temporarily increased staff hours
 - 13% Forced redundancies
 - 13% Placed staff on paid leave
- Of the 69 businesses surveyed, 60 jobs had been lost and 7 gained, which equates to -19%, and +2% change in employment from the pool of respondents, respectively.

An analysis of the survey results compared to ABS data is demonstrated in the below excerpt from the report:

INDUSTRY	Jobs Lost (Survey)	Total Jobs (ABS)	Inferred % Industry Jobs Lost
Accommodation & Food Services	-39	48	-81%
Agriculture	-9	326	-3%
Construction	-7	197	-4%
Arts & Recreation Services	-6	16	-38%
Retail Trade	1	76	1%
Health Care Services	1	24	4%

⁷⁶ January 2021 Wheatbelt Tourism Economic Briefing Paper, RDA Wheatbelt, page 8

⁷⁷ Shire of Chittering, COVID-19 Economic Recovery Plan, 2020, Page 7

⁷⁸ Shire of Chittering, COVID-19 Economic Recovery Plan, 2020, Page 8

In addition to this, the report references the fact that the ABS surveyed 3000 business owners across Australia to find out which sectors had been most influenced by COVID-19 restrictions. The Chamber of Commerce and Industry WA also surveyed over 800 businesses in WA to identify the impacts of COVID-19. The biggest affected sectors of the economy were found by both of these surveys to be:

- Accommodation and Food Services,
- Information Media and Telecommunications,
- Arts and Recreation Services and
- Retail Trade.

These 4 sectors make up 10% of Chittering's economy. 93% of tourism spending in Chittering is in these four sectors.

Chittering's Economic Recovery Committee, in developing the COVID-19 Economic Recovery Plan, explored several discussion points, including identifying the key issues from the data, the vision for recovery and what support the Shire could consider to assist economic recovery. A list of actions were compiled that addressed each of the objectives identified by the Economic Recovery Committee. These actions included the progression of this proposed tourism project to boost the economic recovery from COVID19.

"Increase Attractions. Further investigation of developing the Bindoon Mountain Bike and Adventure Park, Bindoon Caravan Park and Lifestyle Village projects. Each have feasibility studies that support significant positive returns to the local economy."⁷⁹

With the feasibility study for this project finding that,

"a well-developed, operated and marketed mountain bike and adventure park facility can provide turnover levels which could translate to an attractive ROI outcome. Using inputs based on similar facilities in Western Australia, it is estimated annual mountain biking user numbers for the proposed development to be 17,200, which then by extrapolating out using an average fee payment per person, results in an estimated annual turnover figure of \$619k."⁸⁰

When combined with the expected economic benefits detailed in the Cost Benefit Analysis report, it is clear that this project will have a considerable impact on the Shire's recovery from the impacts of COVID19.

2.7 Assessment of Options

The below options were considered when developing this project.

OPTION 1 – DO NOTHING

This option would not require any capital investment but would also not deliver any of the benefits of this project. It would result in significant community dissatisfaction, both amongst the local community and the wider mountain biking community, who are aware and supportive of the project.

Not proceeding with this project would be a missed opportunity to build on the Shire's tourism brand as an outdoor, trails location, with considerable natural beauty. It would not deliver a mountain bike offering north of Perth and one that is a different style of offering to the rest of the state, being an urban mountain bike and adventure park. As such, not doing this project would have a negative impact on the entire of WA's mountain biking brand and its tourism offering for interstate and international tourists. It would also not assist to mitigate the negative economic impacts of both COVID-19 and the Bindoon bypass. As such, this option is not recommended.

⁷⁹ Shire of Chittering, COVID-19 Economic Recovery Plan, 2020, Page 12

⁸⁰ Bindoon Mountain Bike and Adventure Park Feasibility Study, Breakaway Tourism, 2019, Page 18

OPTION 2 – COMPLETE ALL STAGES OF THE BINDOON MOUNTAIN BIKE PARK PROJECT

This option would complete all three stages of the proposed park, as detailed in the feasibility study (which can be found on the Shire's website), including the pump track and skills park and the additional trails. This option would require additional upfront, capital funding to complete.

Whilst the intention is to complete all stages of the project, undertaking Stage 1 first allows the Shire and trail builders to assess the actual use of the trails to determine if there is higher demand for a trail of a particular level of skill. The trails to be built in subsequent stages can then be amended to ensure they meet the demand.

Additionally, the Shire intends to complete subsequent stages in alignment with the completion of camping and caravan works on the adjacent site. This will enable cost efficiencies at the time, which reduces the need to complete the entire project in one stage.

OPTION 3 – CONSTRUCT THE BINDOON MOUNTAIN BIKE PARK, STAGE 1

This is the preferred option and the subject of this business case. The costs and benefits of this option are as detailed throughout this document. This option provides the best value-for-money and enables the Shire to assess the level of use of each of the trails before constructing additional trails. It also enables the work to be completed sooner, as more detailed design and planning has been completed on Stage 1 of the park.

OPTION 4 – COMPLETE PART OF STAGE 1, BINDOON MOUNTAIN BIKE PARK

This option is not one that has been heavily considered by the Shire as each of the components in Stage 1 is required to enable access to the trails and deliver an enjoyable experience for visitors. However, if sufficient grant funding is not available to undertake the complete Stage 1 project, some components could be delayed until stage 2. These components would be expected to be:

- Reduce the number of trails from 8 to 6
- Delay construction and sealing of carpark, providing only a gravel, unmarked surface
- Delay construction of parts of the trail head, including trail centre reception area and comfort areas for riders and spectators, including the installation of BBQs and covered areas

This option would reduce the total project cost by approximately \$1,042,218. However, these delayed components of the project will be required to be completed as soon as possible to maximise the number of visitors the park attracts. Additionally, the risk is that the brand of the Park is damaged by the first users being unhappy with the level of amenity and the number of trails. This option would also reduce the sustainability of the project as it removes some of the infrastructure required to provide income that is needed for further development / subsequent construction phases. It also removes the ability to hire bikes to the non-biker segment, which is a big part of the business plan. As such, this option is not recommended.

2.8 Funding Strategy

The project is intended to be funded through contributions from project partner Chattering Tourist Association, as well as significant cash contribution and an in-kind contribution from the Shire, with the remaining (less than 40%) being requested from the Building Better Regions Fund.

Funding contributions are hoped to consist of the below:

Source of Funds	Amount (\$)	Status of Funding Commitment
Chittering Tourist Association	\$48,000	Secured and formal letter of commitment received
Shire of Chittering (cash)	\$1,093,034	Secured and received
Shire of Chittering (in-kind – project management)	\$127,500	Secured
Building Better Regions Fund Grant	\$760,689	Subject to this BBRF funding application
Total	\$2,029,223	

2.8.1 Project Budget

The budget for this project has been obtained from quotes received from external contractors, estimates provided by the trail designers and from pricing completed by the Shire works depot for the work they will complete. Copies of quotes received can be provided if required.

A detailed budget which details the breakdown of the cost of works, is provided at Attachment 3.

Item of Expenditure	Budget (\$)	Source of Funds	Comments
Bike Showroom, Kiosk and Seating Area inc. Installation	\$203,500	CTA and BBRF	Inc 10% construction contingency
Toilet / Changeroom Facilities (Trail Head and on the trail)	\$266,750	BBRF	Inc 10% construction contingency
Trail works - Green Loop Trail	\$182,805	Shire	5223 linear metres
Trail works - Green Link Trail	\$8,085	Shire	231 linear metres
Trail works - Green Descending 1	\$58,800	BBRF	1470 linear metres
Trail works - Blue Descending 1	\$67,590	BBRF	1502 linear metres
Trail works - Black Descending 1	\$51,755	BBRF	941 linear metres
Trail works - Blue XC 1	\$57,720	BBRF	1443 linear metres
Trail works - Blue Descending 2	\$58,992	Shire	1229 linear metres
Trail works - Black Descending 2	\$65,212	BBRF	959 linear metres
Trail works - Road Shuttle Uplift	\$144,000	Shire	2000 linear metres
Bike lockers, maintenance stand and rack, donation point inc freight	\$21,375	BBRF	10 lockers

Item of Expenditure	Budget (\$)	Source of Funds	Comments
BBQs, BBQ shelters, public benches, bin surrounds, inc freight	\$54,989	Shire	2 BBQs Skillion Park Shelter 4x7m w louvres/lights/balustrades 4 benches and 4 bin surrounds
Signage	\$50,000	BBRF/Shire	Entry Statement, Directional and Environmental Signage
Kiosk fit out and fire hose	\$25,300	BBRF	Bain marie, workbenches, airconditioning
Electrical site works, ATU and Sewerage connection	\$181,500	Shire	Inc 10% construction contingency
Civil works	\$110,000	Shire	Inc 10% construction contingency
Landscaping & Nature Play	\$41,250	Shire	Inc 10% construction contingency
Installation of Street Furniture, BBQ's	\$16,500	Shire	Inc 10% construction contingency
Car Park and Driveway - Sealed	\$82,500	Shire	Inc 10% construction contingency
Drainage	\$44,000	Shire	Inc 10% construction contingency
Fencing and Dieback Management stations	\$65,100	Shire	Inc 10% construction contingency for fencing
Branding and marketing	\$44,000		Inc 10% contingency
Project management (in-kind)	\$127,500	Shire	
Total Budget	\$2,029,223		

2.8.2 Sustainability and Ongoing Viability

The Shire of Chittering has prepared a management plan for the Bindoon Mountain Bike Park, which the Shire will own and operate. The Shire will manage the facilities in the Bindoon Mountain Bike Park (Bike hire, kiosk and eventually caravan and camp site) and will look to manage incomes from other areas including commission from shuttle bus licences, sponsorship and donations for trail maintenance etc.

Two FTE's will be directly employed to cover each other through busy periods on weekends and leave.

The Shire also prepared a Business Plan, which analyses the target market for the park and a marketing and branding strategy to maximise awareness and visitation.

The facility will be open to everyone for free, with the business model including a donation point at the entry, plus charging for road uplifts, hiring bikes, offering lessons, renting out campsites and accommodation at the site adjacent (not part of this project), kiosk sales and merchandise sales to cover park operation and management costs.

The Business Plan states:

“Sales will be generated through online marketing efforts and walk-in purchases. Simplicity and easy to follow operations should be employed to streamline sales processes, minimising customer friction. Customer touching points following sales include automated email contacts and in-person accommodating staff to make arrival processes streamlined and efficient for visitors.

Mountain bike riders are big communicators with one another, and word of mouth is crucial in future promotion. It would be beneficial to give them a channel for feedback to mitigate any potential negative feedback. Post-ride and post-stay surveys and email contact should be maintained after a booking to keep those communication channels open and away from larger audiences such as forums on social media.

Sales forecasts have been predicted through research undertaken in the Cost Benefit Analysis which shows that 50,000 to 100,000 visits are expected at the park annually, resulting in 137 to 274 individual visits to the park each day if spread evenly. Seasonality and mid-week lows are a feature of mountain bike park visitation, so numbers are more likely to spike towards weekends with three to five hundred visits each weekend day.

Capacity must be monitored to ensure a quality experience. Growth may be achieved through discounting or promotion of shoulder periods, and the packaging of weekday trips and learn to ride clinics for the casual tourist or beginner.”

An analysis of the expected income and expenditure to operate the park is provided below:

Revenue	Total Income
Camping Fees (Not part of this funding)	\$176,000
Bike Sales	\$12,000
Shuttle Bus Commission	\$5,200
Trail Entry Donation	\$10,000
Kiosk Sales	\$50,000
Equipment (inc bike) Hire Income	\$27,000
Merchandise Sales	\$6,000
Sponsorship	\$8,000
Total	\$294,200

Expected Income

Expense	Amount
Accommodation Supplies (Not part of this funding)	\$2,801
Camp Grounds Maintenance (Not part of this funding)	\$20,000
Insurance	\$1,686
Marketing	\$2,679
Website & Digital Media	\$10,000
Motor Vehicle Expenses	\$5,000
Occupancy Costs (Inc Utilities)	\$13,599
Other Expenses	\$2,801
Print, Post, Stationery	\$680
Replacement, Repairs and Maintenance	\$9,356
Wages and Salaries	\$99,441
Staff On-costs	\$34,776
Cleaning	\$31,546
Trail Maintenance	\$13,000
Total	\$247,365

Expected Costs

As can be seen in the above tables, until the additional work is completed to add the camping and lodging to the site, there will be a shortfall of around \$106,364 annually. However, the Shire is progressing with the camping project and expects it to be completed by mid-2023.

Any ongoing funding shortfall that may occur will be covered by the Shire of Chittering as this park is considered to be a key tourist attraction with benefits for our community and economy.

The park will be added to the Shire’s asset register and asset management plan and will be maintained accordingly.

Following completion of the campground there will be an annual surplus of \$46,835, which will be used towards ongoing marketing and development of the park to further enhance the tourism facility.

2.9 Risk Analysis

The below risk matrix has been used to assess the risks associated with this project and the ongoing use of the new park.

	CONSEQUENCE				
LIKELIHOOD	Insignificant (1)	Minor (2)	Moderate (3)	Major (4)	Extreme (5)
Rare (1)	Low	Low	Low	Low	Low
Unlikely (2)	Low	Low	Low	Medium	Medium
Possible (3)	Low	Low	Medium	Medium	Medium
Likely (4)	Low	Medium	Medium	High	High
Almost certain (5)	Low	Medium	Medium	High	Extreme

2.9.1 Project Risks

Risk	Likelihood	Consequence	Risk Score	Mitigation
All funding not secured	Possible	Extreme	Medium	<ul style="list-style-type: none"> Complete project business case to enable other funding applications to be made and sponsorship sought. Maintain open communication with funding bodies. Project may need to be re-scoped to reduce costs, thereby reducing benefits.
Cost overruns	Possible	Moderate	Medium	<ul style="list-style-type: none"> Contingency allowance is in place Ensure Tender Contract is comprehensive Investigate construction cost savings Seek in-kind contributions Seek additional funding from Shire Council or other sponsorship

Risk	Likelihood	Consequence	Risk Score	Mitigation
				<ul style="list-style-type: none"> Investigate options to reduce scope
Significant delays due to weather	Possible	Minor	Low	<ul style="list-style-type: none"> Ensure sufficient contingency in construction schedule Schedule external works during spring/summer period Investigate options to increase staff or rearrange construction schedule to accommodate weather Ensure all insurances are kept up to date
Builder bankruptcy	Unlikely	Major	Medium	<ul style="list-style-type: none"> Obtain bank guarantees from builder Conduct due diligence on financial status of builder prior to contract award Ensure all insurances are kept up to date
Quality of work is unacceptable	Unlikely	Moderate	Low	<ul style="list-style-type: none"> Ensure Tender Contract is comprehensive and clearly details expectations Complete reference and due diligence checks prior to contract award Project Manager regularly completing inspections Ensure bank guarantees and insurances are in place
Contractors not adhering to safety standards	Unlikely	Major	Medium	<ul style="list-style-type: none"> Ensure WSH guidelines are in place Complete reference and due diligence checks prior to contract award Project Manager regularly completing inspections Project Manager to maintain and update Risk Register Complete site risk assessments/inspect contractors risk assessment records Ensure contract specifies default notice processes
Public liability matters	Unlikely	Moderate	Low	<ul style="list-style-type: none"> Ensure all insurances are kept up to date

Risk	Likelihood	Consequence	Risk Score	Mitigation
				<ul style="list-style-type: none"> Ensure all contractors are inducted in Shire requirements, procedures and policies Ensure WSH practices are followed
Unable to source sufficient materials/ equipment	Unlikely	Moderate	Low	<ul style="list-style-type: none"> Ensure open communication with contractor Investigate alternate options to source materials/equipment with the contractor Investigate options to rearrange construction schedule to reduce impact of delay in materials
Site security issues/ vandalism	Unlikely	Minor	Low	<ul style="list-style-type: none"> Ensure necessary site security is required of contractor and in place Ensure insurances are maintained by contractor
Fire or other natural disaster	Rare	Extreme	Low	<ul style="list-style-type: none"> Ensure adequate insurances are in place
COVID19 risks	Likely	Minor	Medium	<ul style="list-style-type: none"> Ensure all contractors comply with Shire and State COVID19 protocols that are in place. May need to delay works if construction work is banned. Works are outdoors so should have less impact.

2.9.2 Post-Project Facility Risks

Risk	Likelihood	Consequence	Risk Score	Mitigation
Rider accident or injury	Almost Certain	Moderate	Medium	<ul style="list-style-type: none"> Ensure WSH policies and procedures are in place Ensure WSH training for all Committee members is up to date Ensure facility use agreements include relevant clauses First Aid equipment and telephone to be accessible to all facility users
Facility fire or other accidental damage	Rare	Extreme	Low	<ul style="list-style-type: none"> Ensure WSH guidelines are in place Ensure Bushfire management plan in place and complied with

Risk	Likelihood	Consequence	Risk Score	Mitigation
				<ul style="list-style-type: none"> Ensure all insurances are kept up to date Telephone to be accessible to all facility users Emergency Evacuation Plans displayed and processes to be in place
Theft	Unlikely	Minor	Low	<ul style="list-style-type: none"> Ensure facility has sufficient security and lockable areas for valuables, etc. Limit the amount and number of valuables left in the facility Ensure insurances are kept up to date
Fraud	Rare	Major	Low	<ul style="list-style-type: none"> Ensure Council procurement policies and oversight processes are in place External audit/review of financial statements annually
Visitor numbers are not as high as expected	Unlikely	Major	Medium	<ul style="list-style-type: none"> Complete marketing strategy to attract visitors Conduct survey/data gathering to analyse why people are not visiting Liaise with Tourism WA and MTB organisations to identify reasons and actions that can be undertaken to increase visitation
Contracted Operator issues	Unlikely	Major	Medium	<ul style="list-style-type: none"> Ensure Tender Contract is comprehensive and clearly details expectations Complete reference and due diligence checks on contractor prior to award Ensure continued oversight of the park by Shire project manager Regular reporting by contractor to Shire and regular audits will be required
Trail maintenance costs exceed expectations	Unlikely	Major	Medium	<ul style="list-style-type: none"> Ensure initial maintenance costings are completed and reviewed by experts in the area of trail maintenance Investigate additional revenue sources to cover costs Engage with local MTB group to source volunteer assistance to maintain trails

Risk	Likelihood	Consequence	Risk Score	Mitigation
COVID19 risks	Likely	Minor	Medium	<ul style="list-style-type: none"> • Ensure all staff and visitors comply with Shire and State COVID19 protocols that are in place. • Outdoor exercise should have less impact/restrictions. • Manage expenses in line with other Shire services impacted by COVID19.

3 IMPLEMENTATION STRATEGY

3.1 Project Timeframe and Key Milestones

The below timeframes assume a grant agreement for the project is secured by 31 July 2021.

Main Activities / Milestone	Milestone Date	Responsibility
All project approvals finalised	21 April 2022	Project Manager
Funding approval and agreement signed	1 August 2022	BBRF
Trail Construction and building construction tenders awarded	1 November 2022	Project Manager
Construction commences	1 September 2022	Shire of Cittering Works Depot and Contractors
Phase 1 Roads and Services complete	1 March 2023	Shire of Chittering Works Depot and Utilities companies
Phase 2 Trail Building complete	1 August 2023	Trail Building Contractor
Phase 3 Building and Infrastructure complete	1 November 2023	Building Contractor and Shire works depot
Park opened	1 December 2023	Project Manager
Funding acquittal completed	15 February 2024	Project Manager

3.2 Communication Plan

Section 2.4 Stakeholder Engagement and Consultation details the communications undertaken in the development of the project to date. The communication management approach and the communications requirements for the implementation of this project are detailed in the tables below.

Stakeholder	Level of Interest	Level of Influence	Comments
Shire Council and Management	H	H	Make policy and funding decisions and have the ultimate authority over the project
Project Team	H	H	Responsible for the day-to-day management of the project. Bring expertise in specialist areas. Contact point for all project queries.
Project Steering Group	H	H	Project oversight and holder of key knowledge regarding the facility and its use/needs.
Facility potential user groups	H	M	May have specific project requirements to enable use.
Shire of Chittering community	M	M	Need to be informed of the project and its progress
Funding bodies	H	H	Major stakeholder. Specific grant requirements need to be met.

Stakeholders

The key communications types and frequency proposed for each stakeholder is detailed in the table below.

Communications Type	Description	Frequency	Format	Stakeholders	Responsibility
Project Status Report	Report detailing the status of the project	Weekly	Email	Shire Council and Management, Project Team	Project Manager
Project Team Meeting	Meeting to discuss project actions, review status report	Weekly	In person	Project Team	Project Manager
Project Update	Report detailing the status of the project	Monthly	In person	Project Steering Group CEO	Project Manager
Technical Design Review	Review of technical designs	As needed	Email	Project Team and consultants	Project Manager
Social Media updates	Short project updates	Monthly	Social Media platforms	Shire of Chittering community Potential User Groups	Project Manager
Shire newsletter	Short project updates within the broader Shire newsletter	Weekly	Online	Shire of Chittering community Potential User Groups	Project Manager

Communications Plan

3.3 Project Management

This project will be managed by the Shire of Chittering, with the CEO as the Project Sponsor. The Shire’s Economic Development Coordinator, Euan Martin, will be the project manager, with assistance from the Principal Building Surveyor, Nathan Gough.

Euan has a Bachelor of Business in Tourism Management and Marketing and a Master of Business Administration (MBA). He has been with the Shire of Chittering for 5 years and was previously in the role of Project Manager at WA Sign & Print Management, where he managed the signage fit outs of Subiaco stadium and Members Equity Stadium, 2006 – 2012, totalling \$1-2 million.

During his time at the Shire of Chittering, Euan has managed a number of projects, including:

- Clune to Brockman Centre Connection Cycling Touring Trail, 2020 – 2023, total project around \$500,000
- A Taste of Chittering Annual Event, up to 8,000 visitors annually, ~\$100,000/yr
- Coordinator of the COVID-19 Economic Recovery Plan

Euan will be responsible for:

- Managing the project day to day
- All project communications
- Ensuring the project is delivered to quality, scope, time and cost
- Managing risk and issues by exception to the governance team
- Providing vendor and contract management
- Coordinating Shire staff and resources as required
- Grant reporting and acquittal
- Project status reporting to the governance team

He will be supported with any construction matters by Nathan who is a BP 100598 Registered Building Practitioner and BSP 2365 Registered Building Surveyor Level 2. Nathan has been at the Shire for over 4 years and has extensive experience managing construction projects, including:

- 7 years as Building and Project Supervisor at the Shire of Northam, managing the Shire of Northam's building projects and maintenance of over 100 public buildings and playgrounds.
- 20 years as the owner of Highline Northam, which was a successful business specializing in industrial, commercial projects and residential out buildings, including the construction of Midalia Steel and Mitre 10 commercial buildings.

An industry standard project management approach (PMBOK or Prince2) will be utilised to manage the project stages, with management documentation and reporting processes developed as part of the Project Manager role.

The Shire will release a Request for Tender to secure an experienced and qualified builder to complete the project as designed.

3.4 Project Governance

The Shire of Chittering has significant experience in delivering a variety of projects of a range of sizes, scope and complexity, including projects that utilise significant portions of grant funding. With excellent internal controls and best practice approaches in place, the Shire is confident it possesses the staff skills and resources to deliver the proposed project in a timely manner. Recent projects involving grant funding which the Shire has successfully delivered include:

- The Bindoon Town Hall Restoration Project for which a grant of \$438,581, under Lotterywest's Community Spaces was provided with the total project cost being \$640,000.
- The Chittering Health Centre for which a grant of \$1,345,000, under the Department of Infrastructure & Regional Development's Regional Development Australia Fund (Round 3), was secured with the project totalling \$1.9million; and
- Upgrades to the Muchea Hall/Oval Car Park where a grant of \$53,000 under the WA Local Government Association's Age Friendly Communities was obtained with the total project costing \$134,921.

The Shire of Chittering has consistently ensured that project budgets, timelines and delivery have been managed effectively and efficiently and with significant experience in grant reporting and acquittals the Shire has never been rejected funding due to a breach of a grant agreement.

It is noted that the Shire of Chittering secured BBRF funding previously but did not proceed with the project. There were a number of critical instigators for not accepting the funding for the Lower Chittering Sport and Recreation Centre funding. The most critical factor being the unforeseen withdrawal of a significant external funding party critical to the undertaking of the project. This funding had been firmly committed and it would not have been possible for the Shire or anyone to have foreseen the withdrawal of that commitment. This would then have required an extra \$2 million commitment from the Shire that had been earmarked in long term financial planning for other vital projects like this Bindoon-Bypass offsetting project.

The Great Northern Highway – Bindoon Bypass Project in the northern part of the shire was part funded by the Federal Government in late 2018, and wasn't until 2019/2020 that the project was green-lit with funding matched from the State Government. Council has been wary to the potential disastrous economic effects this will bring to the town of Bindoon, economically planning to offset its effects as far back as 2017 with the "Bindoon Deviation Strategy". Knowing that this was proceeding, projects to offset this were known to become a priority and factored into the decisions of Council during their consideration to not commit the additional required \$2 million.

With external funding recently secured for the upgrade of existing sporting facilities in the Shire to provide the facilities required of junior female participants, the highest unmet priority for Shire Council is now offsetting the impacts of the future bypass in the northern part of the shire, which this project will deliver.

Although it was regrettable to have to withdraw from that project, the Shire of Chittering maintained open communication with the Department throughout and was grateful for their guidance and understanding. The Shire would like to assure the Department that all funding for this project is fully committed and, due to the bulk being provided by the Shire, it will not be withdrawn. If BBRF funding is allocated to this project, the project will be delivered successfully.

Chittering's CEO, Matthew Gilfellon is an experienced and well-respected local government CEO, being the previous CEO for the Shire of Dumbleyung, and prior to that, he held the same position at the Shire of Mt Marshall. He is very well qualified, having completed a Bachelor of Commerce, and a Graduate Diploma in Legal Studies. With this background, Mr Gilfellon ensures that any project undertaken by the Shire under his sponsorship will be in direct alignment with the future development of the Shire, will be feasible and viable and will have adequate oversight.

The Shire has established a formal Project Steering Group that will oversee the project for the duration of project delivery. The Project Manager will meet with the Project Steering Group on a monthly basis to discuss project progress, planning and issues. Members of the Project Steering Group include:

Name	Position	Organisation	Background
Emma Draper	Wheatbelt Project Officer	Dept Local Govt, Sport and Cultural Industries	Supports local government in their sport and recreation endeavours
Peter Osborn	Councillor	Shire of Chittering	Councillor with a passion to progress the MTB Park in Bindoon
Marg McIlroy	Mountain Bike Manager	WestCycle	WestCycle are the peak body for WA bike riders
Leanne Phillipson	Proprietor	Bindoon Bakehaus (local business)	Major tourism business in Chittering with an interest in mountain biking
Peter Harold	Potential Local User	Chittering Community	Local MTB enthusiast and CEO of mining company
Heath Elkington	Potential Local User	Chittering Community	Local MTB enthusiast
Dave Wallace	Potential Local User	Chittering Community	Local MTB enthusiast
Cody Brown	Potential Local User	Chittering Community	Local MTB enthusiast
Donna Rush Harvey	Potential Local User	Chittering Community	Local MTB enthusiast
Neil Rush Harvey	Potential Local User	Chittering Community	Local MTB enthusiast

Amy McAuliffe	Potential Local User	Bindoon Local	Town and tourism enthusiast, local real estate personnel, potential walk trail user
Tim Shervington	Potential Local User	Chittering Community	Local MTB enthusiast
Tamieka Preston	Potential Local User	Chittering Community	Local business and newspaper owner

3.5 Procurement Strategy

This project will be managed in accordance with the Shire of Chittering’s Purchasing Policy. This policy is in place to:

- Ensure compliance with all relevant legislation including the *Local Government Act 1995* and the *Local Government (Functions and General) Regulations 1996*
- Ensure all purchasing activities are recorded in compliance with the *State Records Act 2000* and internal record management practices of the Shire of Chittering
- Demonstrate that best value for money is attained for the Shire
- Mitigate probity risk, by establishing processes that promote openness, transparency, fairness and equity to all potential suppliers
- Ensure that sustainable benefits such as environmental, social and local economic factors are considered in the overall value for money assessment; and
- Ensure all purchasing activities are conducted in a consistent and efficient manner organisational-wide, and that ethical decision making is demonstrated.

The Shire will also apply its Regional Price Preference Policy to the procurement for this project. This Policy is in place to maximise the use of competitive local business in the procurement of goods and services, supporting local business and industry and to encourage employment of local people, thereby generating economic growth within the Shire.

Upon securing all project funding, the Shire will release a public Request for Tender for the construction works, in line with the Shire’s standard tendering processes.

3.6 Supporting Documents

The below supporting documents are attached to this business case.

- Attachment 1: Detailed Design Drawings
- Attachment 2: Evidence of Financial Contributions
- Attachment 3: Detailed Project Budget
- Attachment 4: Cost Benefit Analysis Report
- Attachment 5: Concept Design Drawings