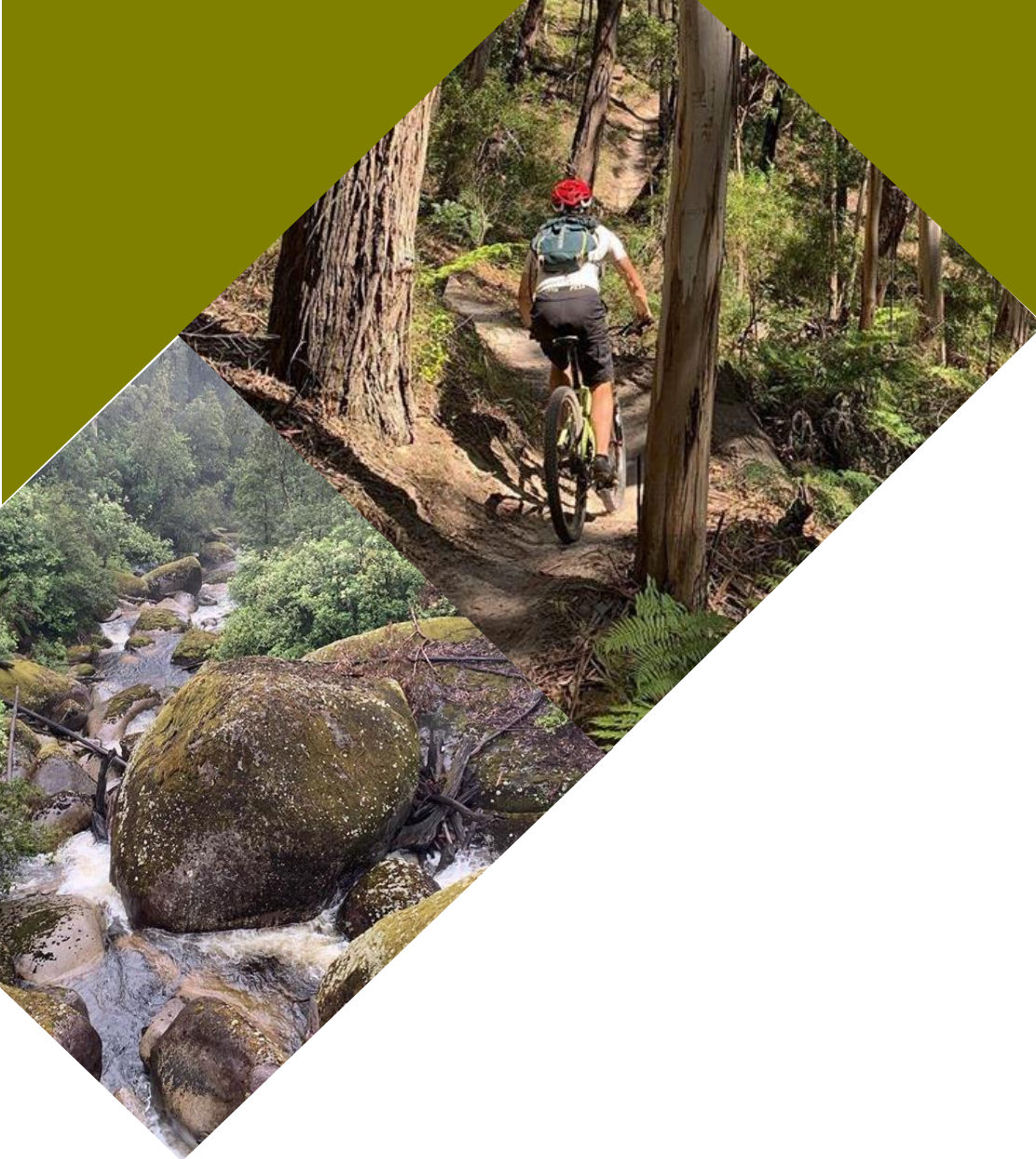




BAW BAW EPIC ADVENTURE RIDE

FEASIBILITY STUDY AND BUSINESS CASE

July 2020

Destination
GIPPSLAND



This report was prepared by TRC Tourism for Destination Gippsland Ltd in relation to the development of the Baw Baw Epic Ride Feasibility Study.

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Executive Summary

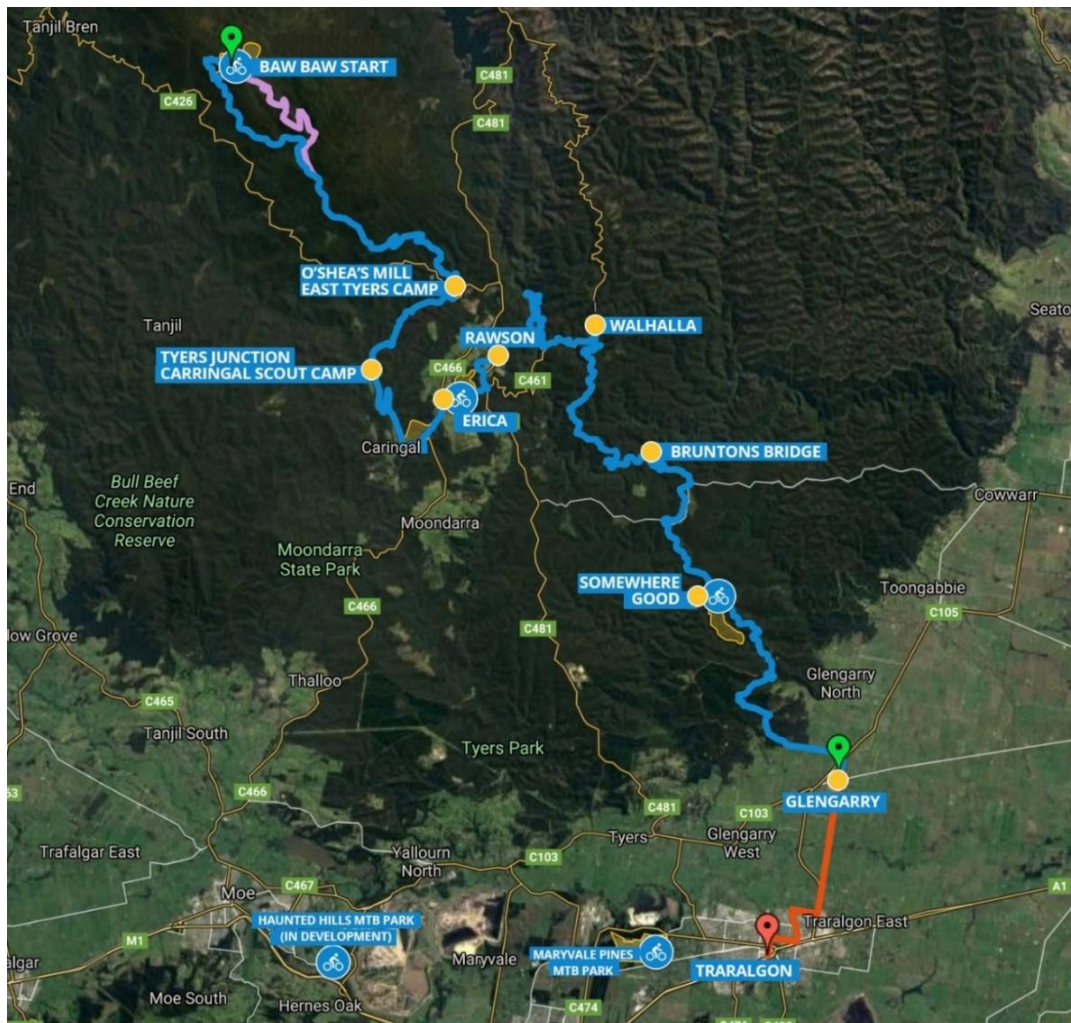
Development of the proposed Baw Baw Epic Adventure Ride (working title for the experience) would see many benefits delivered to Gippsland, and in particular Central Gippsland including the Baw Baw Alpine Resort and the smaller towns of Erica, Rawson, Walhalla and Glengarry.

The proposed 100+km ride experience would be market-leading, generating increased visitation and economic stimulus as it targets the rapid growth in outdoor travel and mountain biking markets.

It is envisaged that the experience be multifaceted in its experience profile and encompass at its core a 100km+- multiday ride route that highlights the natural beauty of the Baw Baw mountain ranges, the alpine foothills and Latrobe Valley environs, while boosting visitation and economic benefit to existing township hubs and active tourism nodes.

The proposed route of the epic ride is shown in the figure below.

Overview of the Proposed Epic Adventure Ride



The feasibility study has found that:

- The Epic Ride represents a leading-edge experience targeting the bulk of mid-community mountain biking riders and enthusiasts. In many respects it would carve a new niche to meet shifting market expectations (valuing high-quality, destination-ride style products that are supported by layered amenities, services, environmental stewardship, and other attractions)
- Mt Baw Baw is well positioned to become a top-tier mountain biking product operating as the ‘hero start’ of the ride experience
- Located mid-way along the proposed route, the twin towns of Erica and Rawson present excellent opportunity for economic development. Rawson has underutilised facilities and recreation space. It is well placed for retail to service incoming visitation and other nature-based tourism development sparked by a new ride product routed into town
- Walhalla provides an excellent supporting accommodation and supply node and a major feature attraction of the ride as a heritage and cultural centre
- Glengarry offers good existing supply of facilities and services, making for a quick transition to a ‘terminus town’
- The proposed experience design would appeal to the broadest section of the mountain biking market
- Current appetite for trail development within the local riding community is strong with the highly organised Gippsland MTB Inc. reporting strong land manager relations and a growing support base
- The Epic route would be designed in a way that adds directly to Mount Baw Baw Resort’s stand-alone shuttle-based MTB experiences giving opportunity for visitors to ride significant, “marque” section(s) of the Epic Ride without leaving the mountain top.

Assets located along the proposed route, including the twin towns of Erica/Rawson, the historical town of Walhalla, the (currently informal) Somewhere Good MTB Park, and the welcoming trail terminus at Glengarry ensure the ride experience would be feature-rich and world-class in terms of its status as an iconic ‘journey through nature’.

The design would provide a cross-pollinated ‘adventure ride’ and ‘flow’ ride, servicing single and multi-day riders; be accessible at numerous points along the route; and be suitable for riders of an International Mountain Biking Association (IMBA)-designated ‘Blue’ standard with significant ‘Green’ sections. It would, however – with specific design elements – remain attractive to higher-skilled riders.

The trail would deliver both a remote wilderness and township-supported experience, bolstering its inclusiveness of and attraction to the widest range of rider abilities.

The investments and commitments required to design, build, maintain and manage such a trail facility would be significant, however with other parallel and relevant mountain biking developments currently being considered (specifically the *G7 Mountain Bike Hub Feasibility Study* and the proposed development a Gippsland Ride Centre (Warragul) within the Ride Nation program, (www.ridenation.com.au), there is strong combined momentum for such a significant trail development.

Environmental, sustainability and build considerations are likely to be significant given the sensitive landscapes through which the draft alignment passes.

ECONOMIC CONSIDERATIONS

This study provides an economic impact assessment of the proposed Baw Baw Epic Adventure Ride development. The modelling is based on estimates of annual uses/users of the trails and other assumptions utilised in quantifying spending in the region.

The Baw Baw Epic Adventure Ride development will generate substantial positive economic benefits for the Gippsland Region during the construction phase and in the operations phase.

Trail Use & Regional Spending

Rides on the Baw Baw Epic Adventure Ride are projected to increase from 18,000 in Year 1 to around 35,000 in year 10.

The combination of user numbers by type, average spending and average length of stay is used to estimate annual spending (in constant 2020 dollars) in the region. Spending in the region by trail users increases from \$1.790 million in year 1 to \$3.458 million in year 10.

Construction Phase Jobs

A total of 27.6 FTE jobs (23 direct jobs and 4.6 indirect/induced jobs) would be generated during the construction period. The direct jobs comprise 20 jobs in on-site construction and 3 jobs in materials/equipment supply.

Total construction costs are likely to be \$5.130 million, with total project costs at \$6.530 million (inclusive of planning and other non-capital costs).

Operations Phase Jobs

The ongoing growth in user numbers will support an increasing number of jobs in the region.

The operation of the trails would generate a total of 9.3 direct full-time equivalent jobs in year 1, increasing to 17.9 direct FTE jobs in Year 10.

Total jobs (direct and indirect/induced) are 11.1 FTE in year 1 increasing to 21.1 in year 10.

Of the total jobs in year 10, day visitors would account for 3.8 FTE jobs, overnight visitors for 17.3 FTE jobs.

On a sector basis, the jobs (FTE- direct and indirect) generated by trail users are mainly concentrated in:

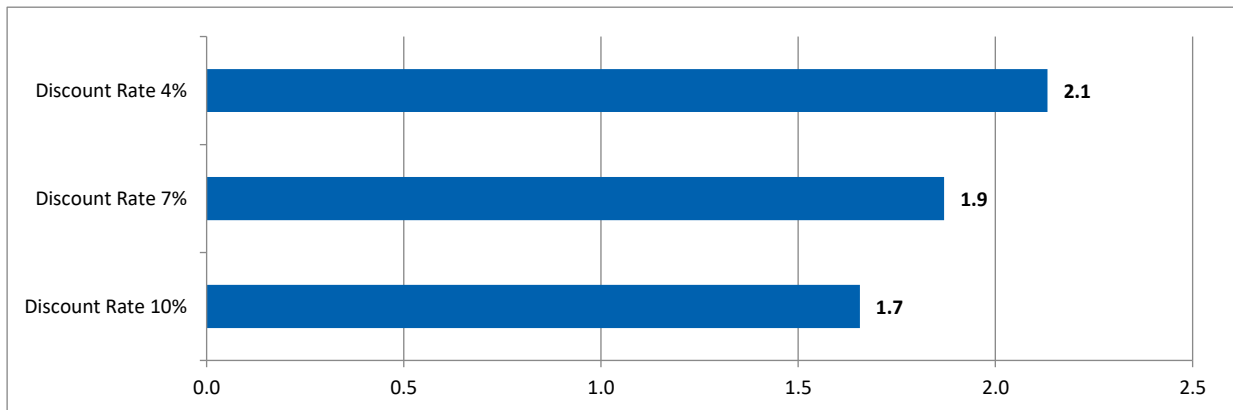
- accommodation
- food and beverage
- recreational services
- other visitor services
- transport (including shuttles)
- other retail.

Benefit/Cost Analysis

The chart below compares Benefit Cost Ratios (BCR) for the 3 discount rates. For a trail project a 7% discount rate is appropriate, and the project yields a positive BCR of 1.9. The present value of total benefits (\$15.088 million) generated by the investment are 1.9 times the total costs of the project (\$8.069 million) over a 10-year period.

The graph below shows the BCRs calculated across three separate discount rates.

Benefit Cost Ratio (BCR) – Epic Ride Development



SOURCE: MCA MODELLING & ESTIMATES, JUNE 2020

SUMMARY

TRC Tourism has undertaken an extensive assessment of the markets for mountain bike tourism, taken into account the strategic framework for Gippsland including the recommendations contained within the Destination Management Plan (2019) and the Gippsland Trails Feasibility Study (2019), and undertaken a detailed costs and benefits assessment of the proposed route.

TRC Tourism has provided the proposed route based on field work, desktop assessment and consultation and believes that it has strong merit. The product would be highly sought after in the growing MTB market.

The issues to be carefully thought through include environmental and governance considerations and significant further work is required in these areas prior to the trail's development. Should they be overcome and the ride built, Gippsland will be positioned as a National MTB destination attracting visitors and economic benefits.



1 Introduction

TRC Tourism was engaged by Destination Gippsland Ltd on behalf of a partnership including the Local Governments of Gippsland to undertake a feasibility study investigating the creation of a new mountain biking experience, the Baw Baw Epic Adventure Ride (working title), extending from Mt Baw Baw Resort Village to the floor of the Latrobe Valley.

It is envisaged that the experience be multifaceted in its usage and experience profile but encompass at its core a 100km+- multiday ride route that highlights the natural beauty of the Baw Baw mountain ranges, the alpine foothills and Latrobe Valley environs, while boosting visitation and economic benefit to existing township hubs and active tourism nodes.

This study aims to:

- outline the demands and strategic requirements for a new and nationally significant mountain biking experience in Central Gippsland
- identify and evaluate potential and preferred route options
- describe potential user markets and economic implications of the proposed trail
- consider ongoing management and maintenance requirements
- deliver recommendations that provide decision makers with critical information to make decisions regards the feasibility of progressing the development.

The study began as a concept through the process of developing the Gippsland Tracks and Trails Feasibility Study. The alignment was proposed to begin at Mount Baw Baw Resort and finish at an undesignated trailhead in the Latrobe Valley. Existing trails and mountain biking parks, both formal and informal, were to be considered for inclusion, along with several township and tourism nodes. Further, in considering a draft alignment and the following feasibility, it was deemed that any development must:

- generate MTB visitation at a nationally significant level
- generate economic benefits to Mt Baw Baw Resort, relevant Central Gippsland townships, and businesses in the region
- be a leading-edge experience targeting the bulk of mountain bike riders and enthusiasts
- be environmentally sustainable taking care to avoid high-value conservation areas and using the best available planning, construction and maintenance techniques to minimise impacts
- meet shifting market expectations, valuing high-quality, destination-ride style products that are supported by layered amenities, services and other attractions
- leverage current appetite for trail development within local riding community and integrate with the strong positioning of Gippsland MTB Inc as a highly organised stakeholder, with excellent land manager relations and a growing support base.

Gippsland Tracks and Trails Feasibility Study

The Baw Baw Epic Adventure Ride Feasibility Study is the result of recommendations made in the *Gippsland Tracks and Trails Feasibility Study* (2019)¹ under the section 'Signature Mountain Biking Hubs and Trails'.

Signature Trails are defined in the report as '... a smaller number of trails that showcase the region and offer outstanding experiences attracting people to Gippsland to complete the region'. Other trails are listed in the hierarchy of trails important to the visitor economy as Regionally Significant or Locally Significant.

Four (4) specific mountain bike hubs and trails were recommended as 'Signature Trails':

- Develop the Central Gippsland Mountain Biking Hub based on the Haunted Hills MTB facility with other parks in nearby areas forming a collective MTB offering, known as the G7.
- The development of the proposed Omeo MTB adventure hub will see a world class facility with flow, cross country and other trails all leading from and into the town
- Develop a feasibility for an IMBA 'Epic'-style trail that descends from Baw Baw Alpine Village, and traverses through the forests of the Gippsland alpine areas arriving in the Latrobe Valley. This trail could potentially change the game for riding in Gippsland and could use many existing trails
- The potential for a timber trail ride through the west Gippsland forests with dedicated overnight accommodation for rides, while providing access to the villages providing a strong commercial product.

This study investigates the feasibility of the trail and estimates the costs and benefits of the trail in more detail. Figure 1 below shows the distribution of the proposed Signature Mountain Bike Trails and Hubs. It is acknowledged that this study has altered the imagery of the location of the MB1 and MB3 in the figure 1.

Figure 1. Gippsland Signature mountain bike hubs and trails map

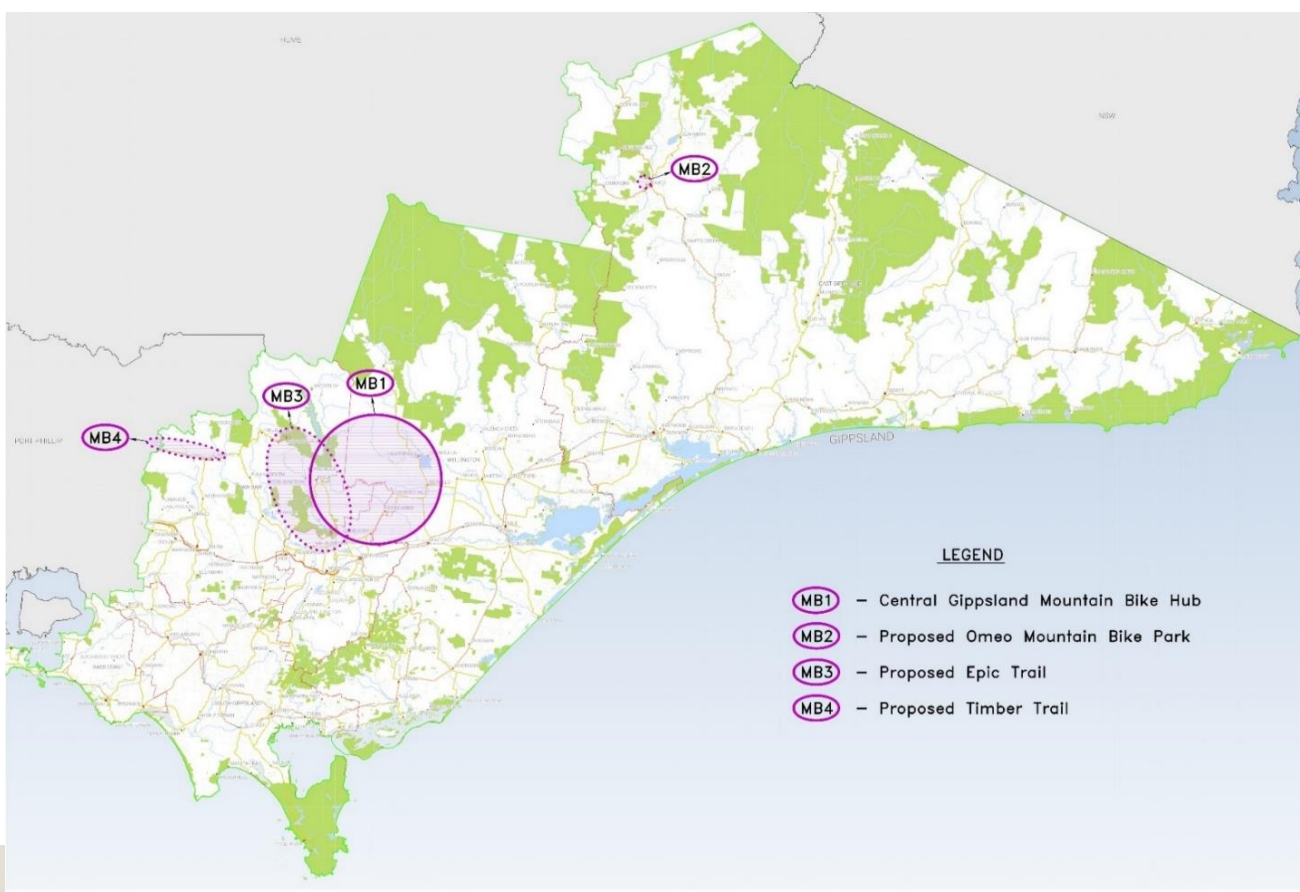




IMAGE : Section of trail at Somewhere Good MTB Park, intersected by the Baw Baw Epic Adventure Trail

2 Tourism Context - Gippsland

As a visitor destination, Gippsland is one of Victoria's most important tourism regions.

The region is comprised of six Local Government Areas (LGAs): Baw Baw Shire, East Gippsland Shire, Latrobe City, South Gippsland Shire, Wellington Shire and Bass Coast, the latter being in the unusual situation of straddling two state tourism regions of Gippsland and Phillip Island.

The Gippsland region has many national parks, a rich living indigenous culture, and layers of colonial heritage. Of note and relevancy to this feasibility study, Gippsland is particularly strong in its nature-based tourism offering. The region boasts pristine stretches of coastline, national parks showcasing alpine peaks, old growth rainforests, high country and delicate coastal habitats.

Gippsland boasts some of Victoria's most striking landscapes including Wilsons Promontory, Gippsland Lakes, Croajingolong National Park, Strzelecki Ranges and parts of the Australian Alps. These natural assets support a diversity of activities including walking, hiking, kayaking, boating, fishing, aquatic activities, alpine sports and cycling.

Infrastructure such as walking tracks, cycling trails, camping areas, boat launching areas, and lookouts support the visitor experience across the region. Several tourism operators also provide guided experiences in these areas.

Parts of Gippsland have the advantage of being geographically close to the urban populations of Melbourne. The region's proximity to the state capital's population base has led to a high number of day visitors and short stays. This market feature is accentuated by the absence of strong flagship products or experiences that encourage longer-stay, higher-yield visitation. The recently released Gippsland Destination Management Plan² seeks to address this through experience development.

This highlights the importance of exploring ways of attracting higher-yield markets, addressing the challenge of seasonality, and identifying opportunities to increase length of stay for overnight visitors (both domestic and international) - markets that provide the best economic return.

The visitor economy is important for Gippsland. In the year ending 2019, the region received 6.353 million domestic (overnight and daytrip) and international overnight visitors who combined spent an estimated \$1,118 million noting the bushfires impacted these numbers towards the end of the 2019 year³.

² Gippsland Destination Management Plan 2019.

³ Gippsland Regional Tourism Summary Year Ending 2019. TEVE Research Published April 2020.

Domestic overnight expenditure in Gippsland in the year ending December 2019 was estimated to be \$654 million (+10.2% year on year), with visitors spending on average \$102 per night and \$296 per visitor.

By comparison, International overnight expenditure in Gippsland was estimated to be \$38 million in the year ending December 2019, a decrease of -24.0% year-on-year⁴.

The strong domestic visitor numbers highlight the importance of the domestic visitor segments to Gippsland. This is particularly so when considering the average overnight expenditure of International visitors of \$49 as against \$102 for the domestic market.

Summary of visitor segments for Gippsland

A snapshot from Tourism Research Australia taken from the Destination Gippsland Management Plan (2019) provides the following breakdown in visitor segments⁵.

Table 1. Domestic day visitors to Gippsland:

REASON FOR TRAVEL	LIFECYCLE GROUP	ACTIVITIES UNDERTAKEN
– 50.8% holiday – 30.3% visiting friends and relatives (VFR)	• 52.0% older persons • 26.8% families • 11.6% midlife • 9.8% young	• 26.7% undertake outdoor/nature activity • 13.3% undertake active outdoor/sports

Table 2. Domestic intrastate overnight visitors to Gippsland:

REASON FOR TRAVEL	LIFECYCLE GROUP	ACTIVITIES UNDERTAKEN
• 57.7% holiday • 30.8% visiting friends and relatives (VFR)	• 36.9% older persons • 32.5% families • 18.5% midlife • 12.1% young	• 51.4% undertake outdoor/nature activity • 34.6% undertake active outdoor/sports

Table 3. Domestic interstate overnight visitors to Gippsland:

REASON FOR TRAVEL	LIFECYCLE GROUP	ACTIVITIES UNDERTAKEN
– 53.4% holiday – 39.7% visiting friends and relatives (VFR)	• 51.9% older persons • 28.5% families • 14.9% midlife • 4.6% young	• 39.1% undertake outdoor/nature activity • 18.7% undertake active outdoor/sports

⁴ Gippsland Regional Tourism Summary Year Ending 2019. TEVE Research Published April 2020.

⁵ Gippsland Destination Management Plan. Based on TRA data 2018.

Nature-Based Tourism

Nature based tourism is important for Gippsland and more broadly for Victoria. Gippsland has an abundance of nature-based attractions and the Gippsland Destination Management Plan⁶ recognises this in with experience pillars and growth strategies built around the nature-based products of Gippsland.

Around 46 million nature-based outdoor activities occurred in Victoria in 2015, including around 36 million nature-based walking, running, cycling and swimming activities in Victorian Parks.⁷ 22% of all visitors to regional Victoria participated in a nature-based experience (including both domestic and international overnight visitors, as well as domestic daytrip visitors).⁸

Many nature-based outdoor activities support regional economies by shifting expenditure from urban to regional towns and cities and rural areas.⁹

\$265 million was the estimated avoided cost to the Victorian healthcare system attributable to nature-based outdoor activities in 2015.¹⁰

Trail Related Insights from Gippsland visitation

The following highlighted dot points contain data taken from the Gippsland Tracks and Trails Feasibility Study¹¹. It is noted that the data was derived for the feasibility study nine months prior to this report being prepared. The data would still be relevant for a full year of trails-based tourism excepting the potential impacts from the 2019 Bushfires and the COVID- 19 pandemic visitor economy shutdown that will impact figures from following years.

- Gippsland has 12.3% share of regional visitor economy (-0.2%)
- East Gippsland, Baw Baw, South Gippsland, and Wonthaggi/Inverloch all experienced growth in visitor numbers
- Only East Gippsland and Wonthaggi/Inverloch reported growth in visitor nights indicating the continued tendency for day visits to the region
- 55+ represents 37% of the market, with a continued 5% growth in this age group over the past 3 years. When you add in 50-54 age group to the 55+, nearly half the market is represented by the 50+ market (46% combined), which will need to be a consideration with regards to future trail experiences, accessibility and comfort facilities
- The even spread across the rest of the demographics (15-49) would suggest that the active family market is also an important market for the region, especially in summer school holidays (combined 46% noting that children under 15 have not been represented in visitor analysis data)
- The March quarter is a seasonal high with September and June quarters being seasonal lows indicating that there is spare servicing capacity in these periods
- The LGAs closer to Melbourne have a higher percentage of day visitors
- The VFR is a huge component of the market with 35.4% of all overnight visitors staying with friends and relatives. This has grown by an average of 9% over the last 3 years.

⁶ Gippsland Destination Management Plan. TRC for DGL 2019.

⁷ A Marsden Jacob Report. Victoria's nature-based outdoor economy. Outdoors Victoria & Sport and Recreation Victoria. Report Issued: 27.1.2016.

⁸ Tourism Events and Visitor Economy (TEVE) Research Unit Factsheet, January 2019. Visitors to Victoria – Experience Overview (Results for the year ending September 2018).

⁹ A Marsden Jacob Report. Victoria's nature-based outdoor economy. Outdoors Victoria & Sport and Recreation Victoria. Report Issued: 27.1.2016.

¹⁰ A Marsden Jacob Report. Victoria's nature-based outdoor economy. Outdoors Victoria & Sport and Recreation Victoria. Report Issued: 27.1.2016.

¹¹ Gippsland Tracks and Trails Feasibility Study. 2019. TRC for South Gippsland Council and partners.



IMAGE Example of landscapes traversed in early sections of the Epic Adventure Trail, here high on the flanks of Mt Baw Baw, near South Face Rd

3 Mountain Bike Tourism

Mountain biking (MTB) is a rapidly growing recreational sport and tourism activity across Victoria, Australia and globally. Mountain biking provides both residents and visitors with the opportunity to enjoy outdoor activity in diverse natural environments.

Mountain biking involves riding a purpose-built mountain bike on specially constructed mountain bike trails (often in bike parks or trail networks), on other off-road trails such as fire-trails and shared use path networks or a combination of each. Mountain biking applies to a range of users from beginners and family groups, to more adventurous cross-country and downhill riders. Mountain biking may be done for leisure and physical activity locally or be engaged in as part of a visit, either as the primary driver of visitation to an area, or as an included activity combined with other attractions.

Mountain bike parks and networks and trails often contain a range of trails for different riding types – such as trails suitable for different standards of cross country, downhill and all-mountain riding. All types of mountain biking have developed competitive and recreational events at local, regional, national and international levels.

Mountain biking continues to grow as one of the fastest and most popular family-friendly lifestyle activities in Australia. This is highlighted by the number of people riding trails across Australia every weekend, both before and after work.¹²

Membership, affiliations and participation numbers have increased on the previous year with financial members of Mountain Bike Australia increasing by 13.7% to over 15,000. With the inclusion of past members and those that had purchased a day licence, MTBA's reach is currently over 70,000 individuals.¹³

Mountain bike trails created or ridden on by national park visitors that are not part of the authorised mountain bike trail network can sometimes be closed and rehabilitated by park managers to protect public safety, mitigate visitor risk and protect environmental and cultural heritage values.

There is anecdotal growth in destination-based mountain biking tourism whereby a large middle market of mountain bikers is seeking highlight ride experiences that focus on multi-day and journey-based experiences centred on high-quality landscapes. These can be bolstered by secondary tourism motivators (food and drink, history, culture, entertainment) and supported by off-trail facilities (accommodation, shuttles). Examples include Derby (Tasmania), St Helens (Tasmania), and the announcement of the Red Centre Adventure Ride (NT).

¹² Mountain Bike Australia Annual Report 2018.

¹³ Mountain Bike Australia Annual Report 2018.

Mountain biking trails exist in all regions of Victoria to a greater or lesser degree depending on the interest of local clubs and riders, and suitable terrain and land tenure. This enables riders to experience a diverse range of terrain from the high county alpine slopes of Mount Buller and Falls Creek, down to the alpine foothills of Bright, the granite country of the You Yangs and Harcourt, and the heritage landscapes of Yackandandah and Beechworth.

The benefits of mountain biking are outlined by Mountain Biking Australia (MTBA):

- **Environmental** – greater awareness and understanding of our environments, leading towards advocacy and protection.
- **Economical** – users can support complementary mountain biking experiences such as cafes, bike hire, guided tours, accommodation. Mountain biking experiences and trails support business sustainability and opportunities for new business investment and employment.
- **Social** – Mountain biking can also connect communities together and provide a place for family and friends to enjoy time recreationally.¹⁴



¹⁴ Guidelines for trail planning, design and management, Barwon South West Region. TRC Tourism.

Type of Mountain Bikers

The following infographic depicts the types of mountain bike riders. TRC has broken the group into three segments based on their propensity to travel, spend money on equipment and interest in pursuing the sport further.

Figure 2. Mountain Bike Rider Types

	NON-CORE MOUNTAIN BIKERS: • Complete novices • Road bikers that occasionally ride MTB • Families seeking safe enjoyable places to ride away from cars • School groups (often guided by tour operators) • Off-road bike tourers • With increased skill, may eventuate into Core Mountain Bikers.
	CORE RECREATIONAL MOUNTAIN BIKERS: • High levels of expenditure on gear and equipment • High amount of time spent mountain bike riding • High willingness to travel to go mountain biking • A large proportion of the MTB market • Little likelihood of participating in competitive events.
	CORE COMPETITIVE MOUNTAIN BIKERS: • High levels of expenditure on gear and equipment • High amount of time spent mountain bike riding • High willingness to travel to go mountain biking • Strong likelihood of participating in competitive events

Usage

Most people mountain bike for fun and enjoyment, with only a small proportion focused on competition; people choose their own riding groups, generally close friends; it can be done anytime; it doesn't require a minimum level of competency (other than the ability to ride a bicycle) and allows people to choose trails to match their ability; people that may be self-conscious about their ability can choose where and when and who they ride with.¹⁵

The rider types and descriptions listed in Table 4 were developed by Dafydd Davis, a pioneer and world-leading trail builder from Wales, UK. The descriptions provide an indication of skill levels, riding frequency, preferred trail types and the approximate market size of each rider type.

¹⁵ Warburton Mountain Bike Feasibility Study

Table 4. MTB trail type and usage¹⁶

TYPE	DESCRIPTION	SKILL LEVEL	RIDE FREQUENCY	PREFERRED TRAIL DIFFICULTY LEVELS	SIZE OF MARKET
Leisure	• Cyclists of all ages • Not usually member of club • Seek easily accessible trails that are close to home with facilities i.e. toilets, cafes, etc	Low	Infrequently	Green	Large
Enthusiast	• Recreational riders • Variable fitness • Do not tend to compete in events • Limited outdoor skills • Seek trails that are technical but not too challenging	Moderate	Weekly	Green Blue	Medium
Sport	• Competitive riders • High fitness • Member of club • Limited outdoor skills • Seek less accessible trails • Influential group	High	Multiple times per week	Green Blue Black Double Black	Small
Independent	• Outdoor enthusiasts • Good fitness • Involved in other outdoor activities • Plan own rides • Good outdoor skills • Adventurous aspect more important than technical challenge • Seek remote trails	High	Weekly	Green Blue Black	Small
Gravity	• Highly skilled technical riders • Member of club • Seek trails with highest difficulty	High	Weekly	Blue Black Double Black	Small
Adaptive	• Para-cycling using off-road capable hand-cycles			Adaptive Trail Rating System	Emerging

¹⁶ WA Mountain Bike Management Guidelines, Queensland Mountain Bike Strategy

Rise of E-bikes

E-bikes – or pedal assisted bikes – are rapidly gaining popularity with cycle retailers reporting a surge of demand and ownership uptake, especially in the mountain biking category. This taking to e-bikes opens a vast range of opportunities for hilly terrain (such as on Mt Baw Baw) and for long-distance ‘journey’ rides such as being proposed with the Baw Baw Epic Adventure Ride.

E-bikes are making MTB riding more ‘accessible’ to people with different abilities including children (which are also expanding market segments) and a more senior demographic, with anecdotal evidence pointing to many more senior riders returning to the activity in older age, having previously lapsed their involvement due to perceived difficulty of physical effort.

Importantly, E-bike riders are typically seeking a recreational experience, more so than competitive, valuing high-quality, accessible, nature-based experiences that offer some degree of support (via township and service integrations, inclusive charging points for longer distance journeys).

Comparative MTB Product Review

Many regional areas in Australia continue to see mountain biking as a source of visitor economy growth and either have pursued, or continue to pursue, the development of mountain bike trails as destinations. The following areas have seen significant growth in trail development:

- North Eastern Tasmania including Derby and Blue Tier to the East Coast (St Helens)
- Mount Buller and Falls Creek, NE Victoria
- Harcourt, Victoria
- Forrest, southwestern Victoria
- Canberra, ACT
- Atherton Tablelands, Qld.

As a potential entrant into this competitive marketplace, and with careful analysis and consideration, the Baw Baw Epic Adventure Ride proposal can learn from competitors and modify/improve the offering to better meet the shifting preferences and quality expectations of emerging (and growing) destination ride markets. As with any tourism offering, clear positioning and strong point of difference is required to compete.

The following table provides insights into significant MTB developments that are relevant to the proposed Baw Baw Epic Trail. It should be noted that due to the planning uncertainty surrounding the proposed Warburton MTB Hub, it has not been included for comparison purposes.

Table 5. Comparison of Significant MTB Destinations

TRAIL / FEATURE	BAW BAW EPIC, VIC	RED CENTRE ADVENTURE RIDE, NT*	MT BULLER, VIC	YACKANDANDAH / BEECHWORTH, VIC	DERBY, TAS	ST HELENS, TAS	TIMBER TRAIL. NZ
TYPE	Point to Point / multiday	Point to point / multiday	Hub / network / single day	Hub / network single day	Hub / network / multiday	Hub + Point to Point (Bay of Fires)	Point to Point
TOTAL KM	100km+	200km+	150km	90km (Yack network only) + 17 Beechworth MTB Park + 30 Beechworth XC (TOTAL: 137km)	100km + 59km Blue Tier TOTAL: 159km	119km	85km
STYLE (majority)	Flow / Adventure / blue	Adventure / back country / green	XC + All Mountain / incl. Australia's first 43km IMBA Epic trail / Blue - black	XC / green to blue	Flow + XC / Green - Black	Flow + XC / Green Blue	Blue
INVESTMENT (approx.)	TBC	\$12 million (committed)	Unquantified (EPIC trail: \$500k Australian Alps Nat Landscape Committee, Mt Buller Resort and T-QUAL Strategic Tourism Investment Grants)	Unquantified. (New investment: \$2 million committed in March 2019 (\$1 million Federal Grant + \$1million council funding) to build all season Epic trail.)	\$3.15 million	\$4.7 million (\$3.1 million Federal, \$1 million State, \$600k Council)	\$5 million NZ
Economic Stimulus / FTE creation	TBC	ESTIMATED: 15,000 (Yr. 10 Base Case) \$5.44 million (Yr. 10 Base Case) expenditure 38.6 FTE jobs (Yr. 10 Base Case)	Unknown	ESTIMATED: 12,500 visitors 34 FTE jobs \$5.18 million expenditure	ESTIMATED: 30,000 visitors \$15-\$18 million (region expenditure) FTE jobs 51 (stage 2) \$30 million expenditure (Tasmania spend)	Unknown (opened late 2019)	ESTIMATED: 7,000 visitors

**in development*

Primary Target Market Mix

Critical to the success of a concept the size and scale of Baw Baw Epic Adventure Ride will be designing a trail experience that appeals and services the largest proportion of mountain bike trail users. The trail will be first and foremost a recreation trail used by riders seeking a 'journey through nature' experience that requires some off road riding skill base and experience but does not require advanced skills to undertake and enjoy all or part of the route.

The experience will be appealing in its offering equally to local, intrastate, interstate and international visitors, with a core market of intra and interstate visitation, comparable to the likes of Derby and St Helens MTB developments in Tasmania, albeit with better accessibility for visitors and rider uptake by local and regional riders.

The table below provides an indicative segmentation of the users who will be primarily attracted to the ride experience.

Table 6. Baw Baw Epic Adventure Ride Primary Market Mix

BASIC SEGMENTS	BAW BAW EPIC ADVENTURE RIDE
Beginner	×
Intermediate	✓
Advanced	×
Recreational / Leisure / Enthusiast	✓
Competitive / Sport	×
Independent	✓
Gravity	×
Adaptive	×
E-bike	✓
Local	✓
Intrastate	✓
Interstate	✓
International	✓



IMAGE Example of typical forest and trail environs of Epic Adventure Trail sections near Mt Baw Baw

4 The Proposal

The Vision

The Baw Baw Epic Adventure Ride will be an accessible 100km+ point-to-point adventure ride of national significance that highlights the natural beauty and features of the Baw Baw mountain ranges and Latrobe Valley environs.

Draft Alignment Criteria

In choosing a 'draft' alignment, the criteria for the Signature Trails as described earlier in this study apply. Specifically, the alignment chosen described in this document attempts to capture the experience and meet the criteria for a Signature Trail for Gippsland that attracts visitors from intrastate, interstate, and international sources.

The criteria have been adapted to ensure that the targeted user groups within the mountain bike user segments have their rider experiences met and that the aligned servicing and infrastructure meets the needs of the market.

Importantly, the ride experience is in part designed to be a ride through nature. Accordingly, the trail must be created, and maintained with environmental sustainability at the heart of the asset.

The alignment should as far as practically possible:

- Include the highest quality experience with unique selling points (USP)
- Target mid-market 'Blue' riders (larger market)
- Be a multi-layered product able to support various length-of-time experiences from half to four+-day
- Include hop-on hop-off product
- Have a route that targets natural landscape features, townships, accommodation and service nodes, and existing infrastructure where it adds to the experience and supports tourism growth
- Deliver substantial benefits to local community and businesses
- Target existing MTB infrastructure with references to Gippsland G7 MTB Hub Feasibility study
- Be environmentally and culturally sustainable
- Have consideration for effective management and coordination, including community involvement
- Deliver strong visitor number growth into Gippsland.

Methodology

TRC Consultants spent undertook desktop research, draft mapping, phone and in-field consultations, meeting with leading stakeholders (mountain bikers, land managers, businesses and community) linked to critical points of a draft desktop route alignment. Based on feedback from stakeholders, TRC investigated sections of the draft alignment, re-aligned the initial proposed trail according to feedback and discoveries in the field, and re-mapped a draft alignment according to critical factors:

- Creation of the best possible user experience
- Use of existing or old trail alignments where possible (but not at the cost of route / experience quality)
- Best possible linkages to existing mountain bike infrastructure (both formal and informal)
- Reflection of and integration with concurrent mountain biking studies (Gippsland G7 MTB Hub Feasibility Study and Mountain Biking Strategy for the Outer Eastern Region)
- Environmental and sustainability considerations (conceptual)
- General topography and feasibility of trail creation within landscapes
- Suitability of distances between nodes according to intended market
- Potential of high-quality experience inclusions (notable features, ride profile, support services, etc.)
- Attractiveness to mountain biking market segment(s) and shifting profile of the market towards experiential / destination rides, green blue
- Ability to layer experience product to broaden market capture
- Linking of tourism nodes
- Linking of townships with a view to best economic and best business stimulus outcomes.

It should be noted that if this proposal is to proceed, significant work will need to be undertaken in detailed planning of the route. This is beyond the scope of this feasibility assessment. The route traverses potential high value forests and ecosystems, including areas above 1200 metres in elevation, and land within National Park and Alpine Resort.

The route chosen however, is thought to be feasible to construct and the study attempts to capture high-level costs and issues attached to its development, to test the economic, environmental and social costs and benefits.

Draft Alignment Overview

The draft alignment overview is shown in Figure 3 below. The proposed alignment tracks a route starting at the Baw Baw Alpine Village within the Mount Baw Baw Alpine Resort, through the alpine and sub alpine woodlands and into the tall forests of the southern Victorian Alps, before descending into mixed species foothill forests. The proposed route picks up the villages of Erica and Walhalla and captures the essence of the landscape and history of the region before further descending into the Latrobe Valley outskirts and concluding at Glengarry.

The route also attempts to link into the other mountain bike parks and main trails in the Central Gippsland area. Collectively these are likely to be known as the G7. A separate feasibility assessment is currently being undertaken on developing these trails as a 'Hub' to further attract visitors to the Gippsland. By linking the Epic

Table 7 below provides a summary of the proposed epic trail sections which are described in more detail in the following sections of this assessment.

Table 7. Summary of Proposed Trail Sections

SECTION	START NODE	FINISH NODE	N2N Distance	Cum. Distance	Section Ascent	Section Descent	Cum. Ascent	Cum. Descent	Notes / Issues
1	Baw Baw Village	O'Shea's Mill (Camp – nearby)	23km	23km	480m	1560m	480m	1560m	Alternative option routed off Baw Baw (involving Parks Vic managed land above 1200m) potentially better in terms of lesser environmental impact and 'easier' build regards ground condition. Could stay at higher altitude until later to take in Monarchs stand. Does not go right into Mill Camp. Road crossing (South Face Rd).
2	O'Shea's	Tyers Junction	6km	29km	60m	160m	540m	1720m	Scout Camp at Tyres is a camp possibility and potential business for Scout Camp. Draft alignment uses Eastern Tyres Walking Track. High likelihood of requirement to find offset / parallel alignment in same area); overgrown rail trail use.
3	Tyers Junction	Erica	10km	39km	380m	230m	920m	1950m	Tyers Rail Trail used. Some singletrack use recorded. Latter rail trail use overgrown and picks up various benched historic rail lines. Likelihood of requirement to find similar nearby railway benching alignments (existing) pending current developments of walking track alignments/improvements.
4	Erica	Rawson	5km	44km	131m	60m	1051m	2010m	Uses Erica-Thomson Rail Trail. Issue of best access to Rawson. Likely roadside on eastern approach. Footpath planned for western approach could be multi-use, although not ideal experience. Need alternative link trail solution between towns.
5	Rawson	Walhalla	13km	57km	740m	880m	1791m	2890m	Drops to Poverty Bridge. Shared use on trail western side of Thomson River, and on AAWT from Poverty Bridge to Walhalla Main Street. Discussion and

SECTION	START NODE	FINISH NODE	N2N Distance	Cum. Distance	Section Ascent	Section Descent	Cum. Ascent	Cum. Descent	Notes / Issues
									potential re-alignments to be discussed.
6	Walhalla	Bruntons Bridge	7km	64km	425m	560m	2216m	3450m	Significant climb out of Walhalla. Likely stay on dirt road for climb section. Need to drop down to river ASAP once nearing Bruntons Bridge. Needs all new trail build. Potential for alternative routes out of Walhalla to north and then east before dropping south.
7	Bruntons Bridge	Somewhere Good MTB Park	13km	77km	590m	410m	2806m	3860m	Accesses Somewhere Good MTB Park, using plentiful existing trails in mid-section.
8	Somewhere Good MTB Park	Glengarry	16km	93km	228m	579m	3034m	4457m	Using some existing singletrack from SGMTB, new trails leading into southern section. Issues around how to access Brooks Rd at trail exit. Cross to Rail Trail, finish at bike park / train station / pub. Excellent destination. Option to ride rail trail into Traralgon (11km).
(9)	Glengarry	Traralgon	(11km)	(104km)	(20m)	(30m)	(3054m)	(4487m)	Option to ride rail trail into Traralgon (11km).

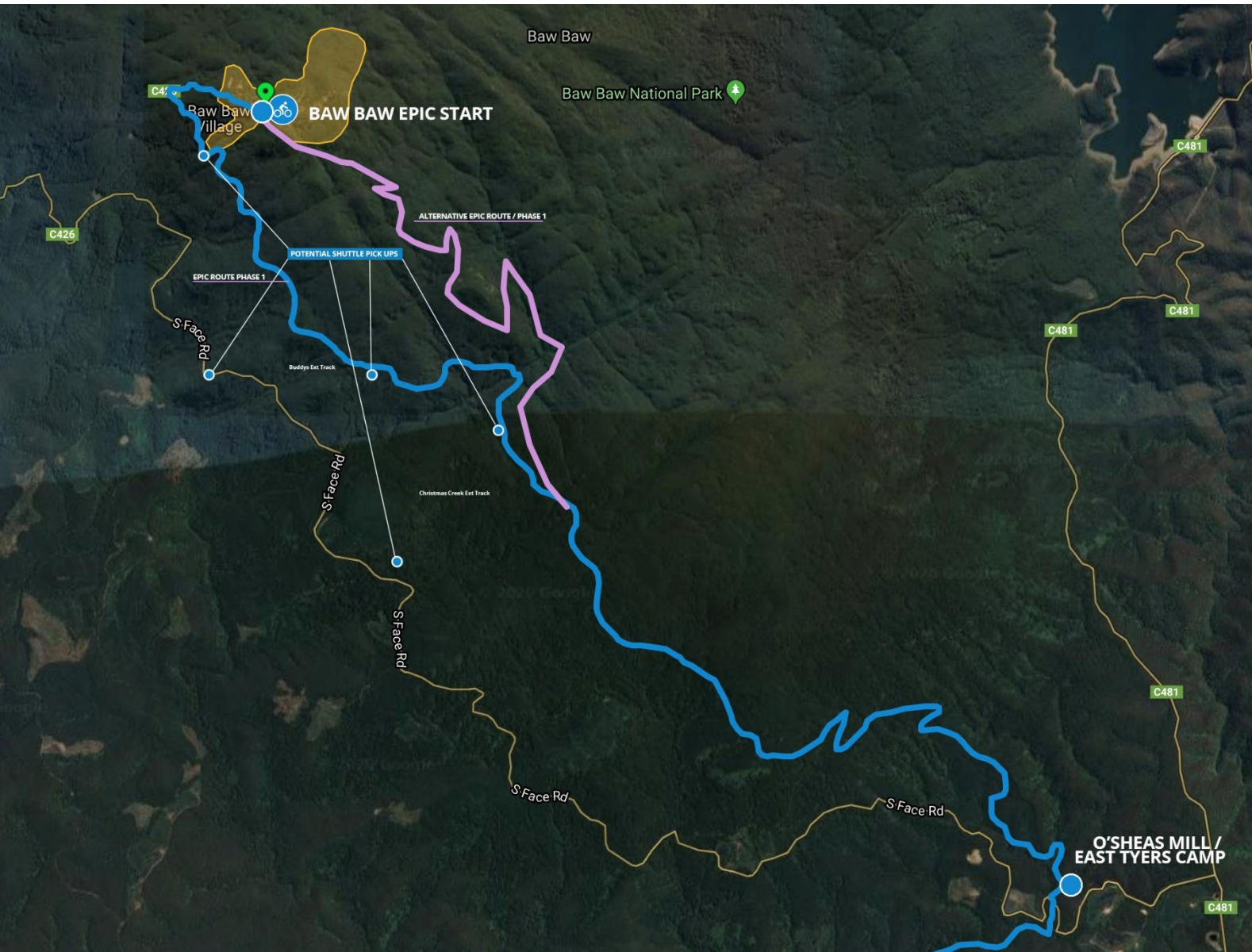
GOOGLE MAP*: <https://bit.ly/2uLb7WR>

**includes proposed Gippsland 'G7' MTB Hub locators*

Section 1 Baw Baw to East Tyers Camp | 23km

The Baw Baw Epic begins within the environs of the Mt Baw Baw Village. Riders depart from the café facility with views 1000 metres down to the Latrobe Valley Floor. Figure 4 shows the proposed route in more detail for Section 1.

Figure 4. Map of Section 1 of the Proposed Epic Trail



Within the Alpine Resort, riders begin at the top of the DH1 trail, taking an immediate right, following the current AM1 trail, which has been reconditioned into popular flow-style riding. Where once this track ended by crossing the Resort road to link up to Beechy Trail (still possible), riders now descend the flanks of Mt Baw Baw, paralleling the unseen Resort Road, weaving between stands of Mountain Ash, Myrtle Beech and moss covered rock gardens (highly desirable environments for mountain bikers). The trail joins the bottom of the DH1 track at 'Chairlift Corner'. *[This route follows the rough alignment of a World Trail feasibility report into the creation of a Flow Trail, 2011]¹⁷.*

From here the route departs from the original World Trail proposal (which continued to the intersection of South Face Rd). Instead it traverses south-east along the southern face of the Baw Baw Range, contouring along below 1200m ASL dropping 300 metres in elevation slowly over 14km to 900 metres ASL. This is a feature section with forests, creek crossings, rock gardens, stands of ferns and glimpses of views out over the valley floor.

As the route heads east, it begins to drop more rapidly, heading south towards South Face Road as it approaches the East Tyers River Crossing / O'Shea's Mill. Riders can choose to camp or keep riding south towards Tyers Junction.

Rationale

- Marquee section of the trail – the mountain top beginning through forest and wild natural areas provide potentially the most impressive section of the trail up high, with a Canadian mountain-like feel
- Uses high trail alignment already scoped by World Trail (2011)
- Remaining below 1200m and outside Parks Victoria-managed National Park potentially reduces regulatory and statutory approval issues
- Section easily becomes a stand-alone, multi-layer "shuttle-based" ride product for Mt Baw Baw (one of the proposed hubs in the concurrent *Gippsland G7 MTB Hub Feasibility Study*) and it compliments existing downhill shuttle product.

Issues

- Challenging conditions (terrain and soil) for trail building, particularly first section heading south east after Chairlift Corner (bottom of DH1) for approximately 6-7km
- High percentage of new trail build required
- Road crossing at South Face Road
- There are numerous environmental, including endangered species, and potentially cultural heritage sensitivities.

Alternatives

- Alternate option off Baw Baw (highlighted pink on the map in Figure 4), uses Parks Victoria-managed land, would likely be better in terms of environmental impact and represents an "easier" build with respect to ground condition and the avoidance of steep gullies as it stays at a higher altitude
- Trail maintains higher altitude for longer providing opportunity to take in Monarchs stand (potentially), plus more descending flow.

Land Managers

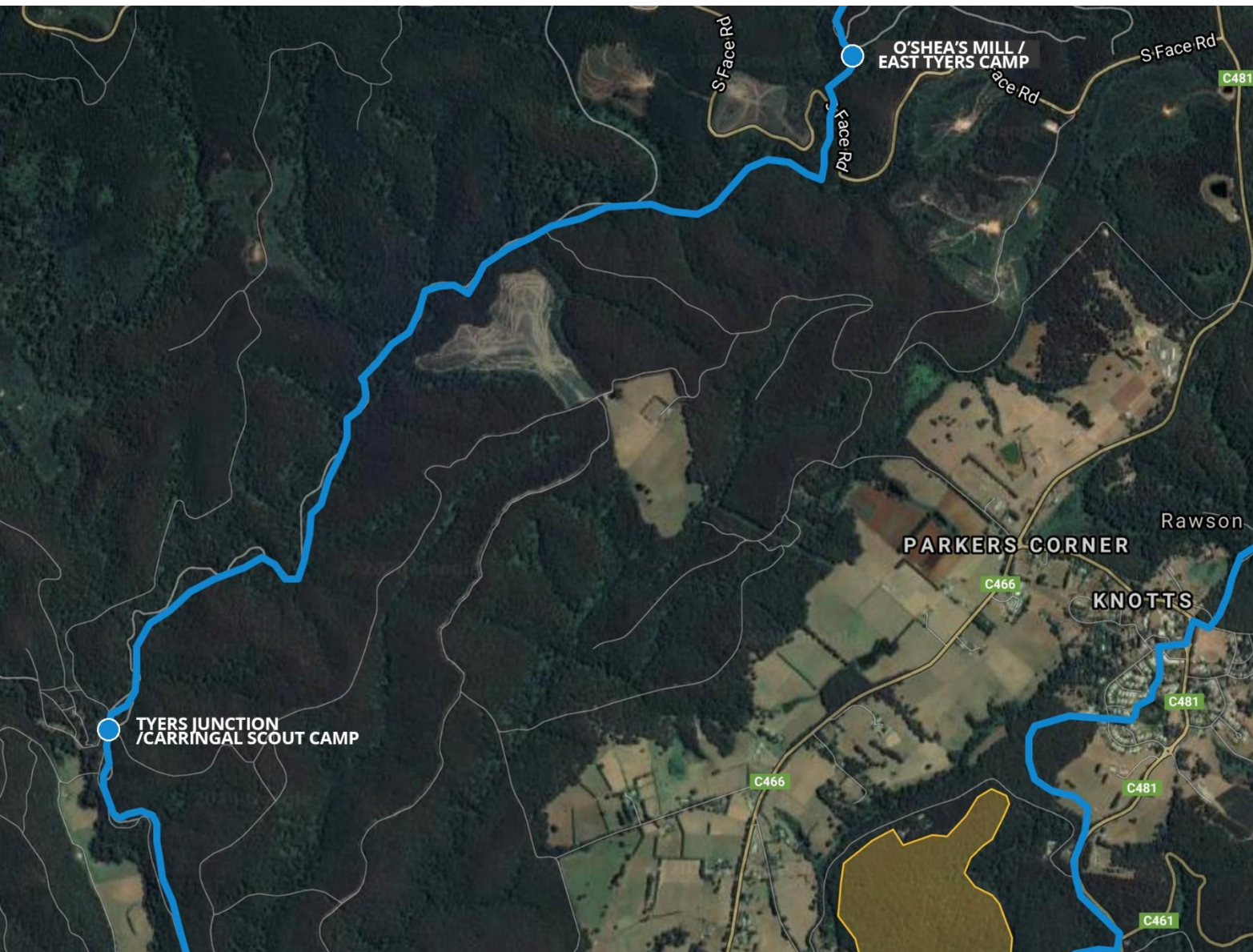
- Three land managers are involved with land in the first section: Mt Baw Baw Resort Management / Southern Alpine Resort Management Board, Parks Victoria (outside resort boundary) and the Department Environment, Land, Water and Planning (below 1200m)
-

¹⁷ World Trail for Mount Baw Baw Alpine Resort 2011. Report into Trail Options.

Section 2 O'Shea's to Tyers Junction - |6km

Figure 5 below provides the map of the second section of the proposed epic trail.

Figure 5. Map of Section 2 of the Proposed Epic Trail



From O'Shea's East Tyres Campsite, the Baw Baw Epic trail crosses south over South Face Road and finds an alignment nearby and roughly parallel the East Tyers Walking Track, working its way down to Tyers Junction and the Carrungal Scout Camp.

Rationale

- Scout Camp at Tyres offers the possibility of accommodation (subject to Scouts endorsing the option) and a camping node (expanding the potential pool of ride tourists)
- Trail route delivers potential business for the Scout Camp (should they wish to exercise this as an option) and taps into and activates scouting community as a user market.
- Draft alignment makes use of Eastern Tyres Walking Track alignment, however it has been identified that any alignment would need to work significantly offset (and parallel) to this trail to avoid user conflict and work more sensitively with landscape constraints given walking track's numerous river crossings.
- Makes use of existing (disused) historic rail trail benching, currently overgrown. Requires further investigation via historical alignment documents and consultation.

Issues

- If using Eastern Tyers Walking Track proximity alignment – multiple crossings (map data) of Tyers River East Branch potentially require bridging or some form of protection of the river adding to the cost and technical difficulty of building the trail. Advice received indicates offset alignment avoiding majority river crossings feasible
- Condition of any old rail benching for potential alignments unknown.

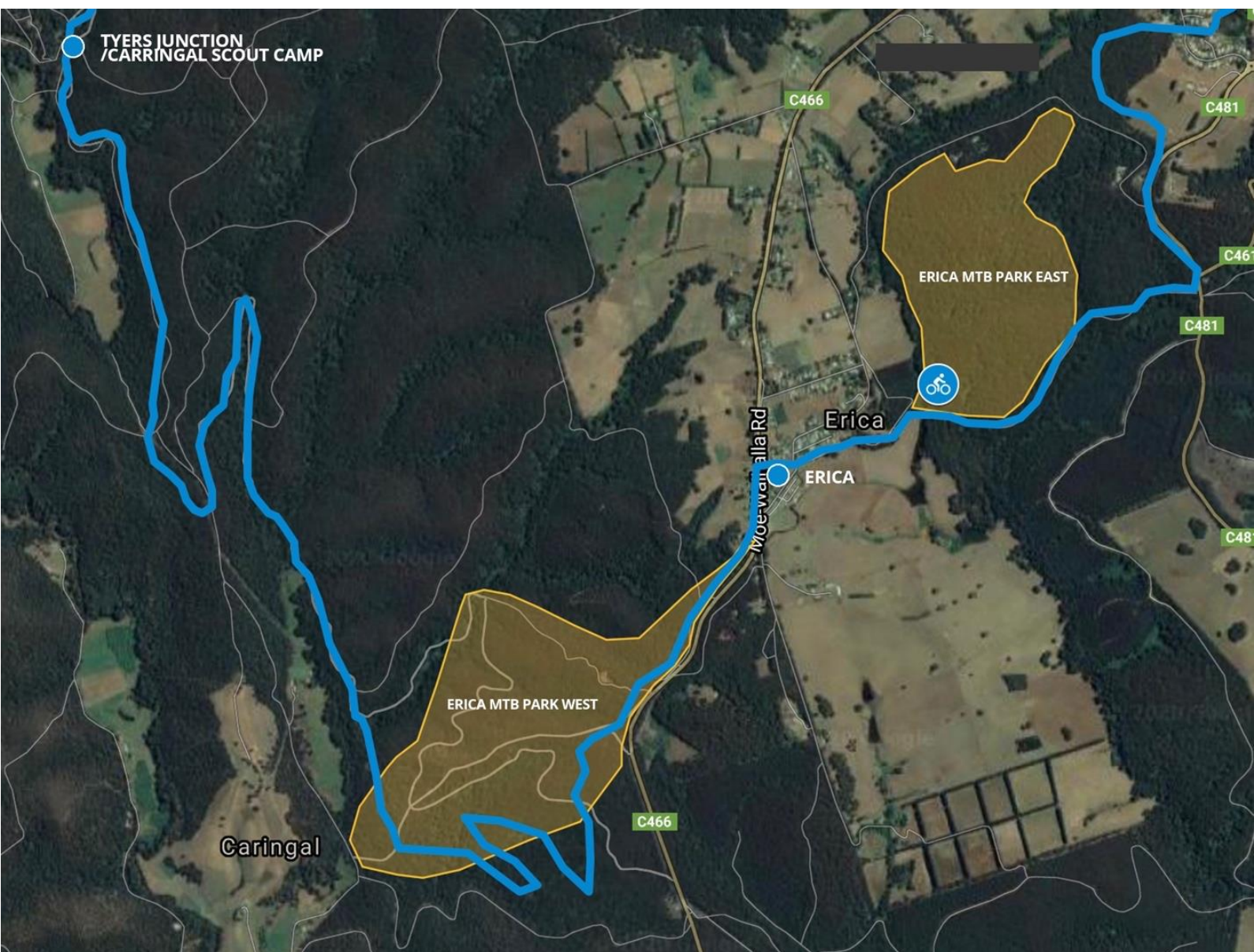
Alternatives

- Alternative offset alignment O'Shea's to Tyers Junction as above, recommended
 - Route could stay north and cross C466 Thomson Valley Road near O'Shea's Mill, and work its way east and then south towards Rawson, however this would require missing Tyers Junction, and further on, Erica and associated MTB trails and is not recommended.
-

Section 3 Tyers Junction to Erica | 10km

Section 3 of the proposed trail leaves Tyers Junction and allowing for the proposed alignment's approval, picks up the Erica MTB network and the township of Erica.

Figure 6. Map of Section 3 of the Proposed Epic Trail



From Tyres Junction, the route picks up old railway benching alignments, both used and unused, as it heads south, including significant sections of the Tyres Junction Rail Trail, in parallel (and crossing) Telbit Rd. Still following sections of the Junction Rail Trail, the route contours south east, joining to the bottom of the existing Erica MTB Park (west) downhill flow trails. From here, investigations are required to use old railway benchings to take the trail further east, eventually rising to come alongside the Moe-Rawson Road where the trail sidles into town on the west side of the main road. Riders dismount to cross the road into town.

Rationale

- Makes use of existing (disused) historic rail trail benching out of Tyres Junction / Scout camp
- Links with Western Trails of the pre-existing Erica MTB Park (scheduled for inclusion in the concurrent Gippsland G7 MTB Hub Feasibility Study)
- New pedal-up trail build from the base for Epic Trail would expand the attractiveness of the existing Erica MTB Park offering
- Provides bottom of hill link trail alignments for users of Erica MTB Park (west)
- Brings trail into Erica, a significant visitor support township, and in doing so leverages best economic benefit from users including accommodation, food, services, safety, and onward access / routing through Erica MTB trails.

Issues

- Potential walker-rider conflict on sections of rail trail alignments. Advice received indicates alternative alignments nearby on other railway benchings available and feasible
- Access to Erica township, it appears a road reserve north of the Moe-Rawson Road and south of the Church provides a strong alternative.
- Significant climb out of Tyres Junction (although mostly eased by use of railway alignments)
- Limited (current) accommodation and services in Erica

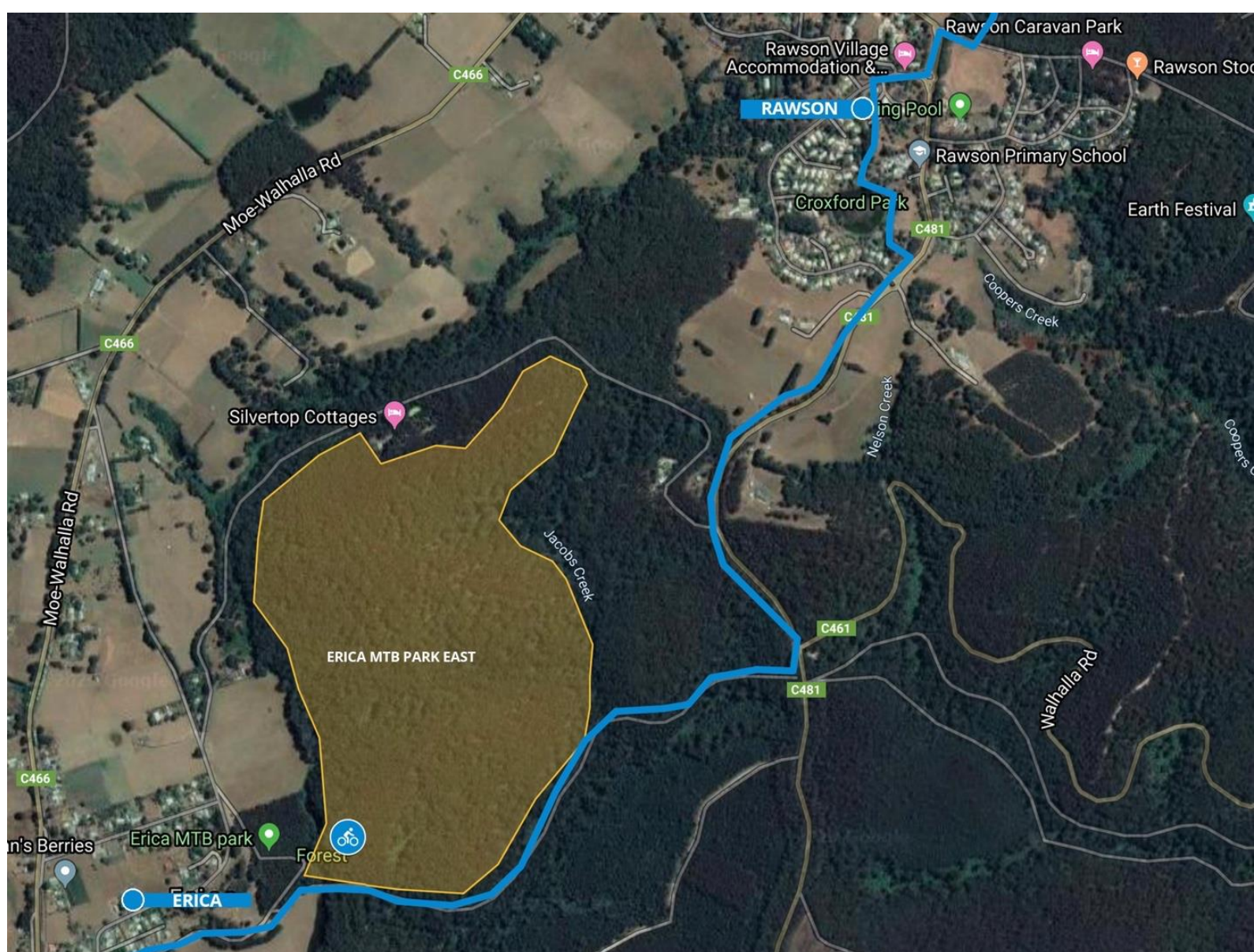
Alternatives

- As per Section 2
-

Section 4 Erica to Rawson | 5km

Section 4 of the proposed epic trail bridges the towns of Erica and Rawson. Figure 7 shows the proposed route.

Figure 7. Map of Section 4 of the Proposed Epic Trail



From the Main Street (C466) of Erica, the Epic route takes Henty Street to the east, entering Erica Mill Park, and picking up the access trails to the Erica MTB Park.

It is noted that a Federal Government Grant of \$850k has been awarded to Baw Baw Shire Council to construct a linking path between Erica and Rawson which can double as a part of the Epic Adventure Ride. It leaves Erica in Henty St and follows the Moe to Rawson Road arriving in Rawson at Pinnacle Drive.

While not purposely constructed for mountain biking, it offers a terrific connection between the towns and serves as a multi-market connector.

Rationale

- Integrates existing trail hub (Erica MTB network)
- A good linking trail connects two main service towns (to be treated as ‘Twin Towns’)
- Offers choice of overnight town for riders
- Rawson is approximately midway on the Epic Trail (44km), providing the best ‘overnight’ stop
- Rawson represents excellent opportunity for tourism-sparked growth, with excellent facilities (indoor pool, town hall, ovals, parking, toilets etc) in situ built to cater for 1000+, however only a few hundred residents live in town
- Rawson has most accommodation offering at present, at various levels of quality
- Opportunity for retail revival in both townships (but particularly Rawson), accommodation businesses, cycling based businesses – essentially ready to become an Epic Hub
- Strong support for cycle tourism development amongst community and local businesses

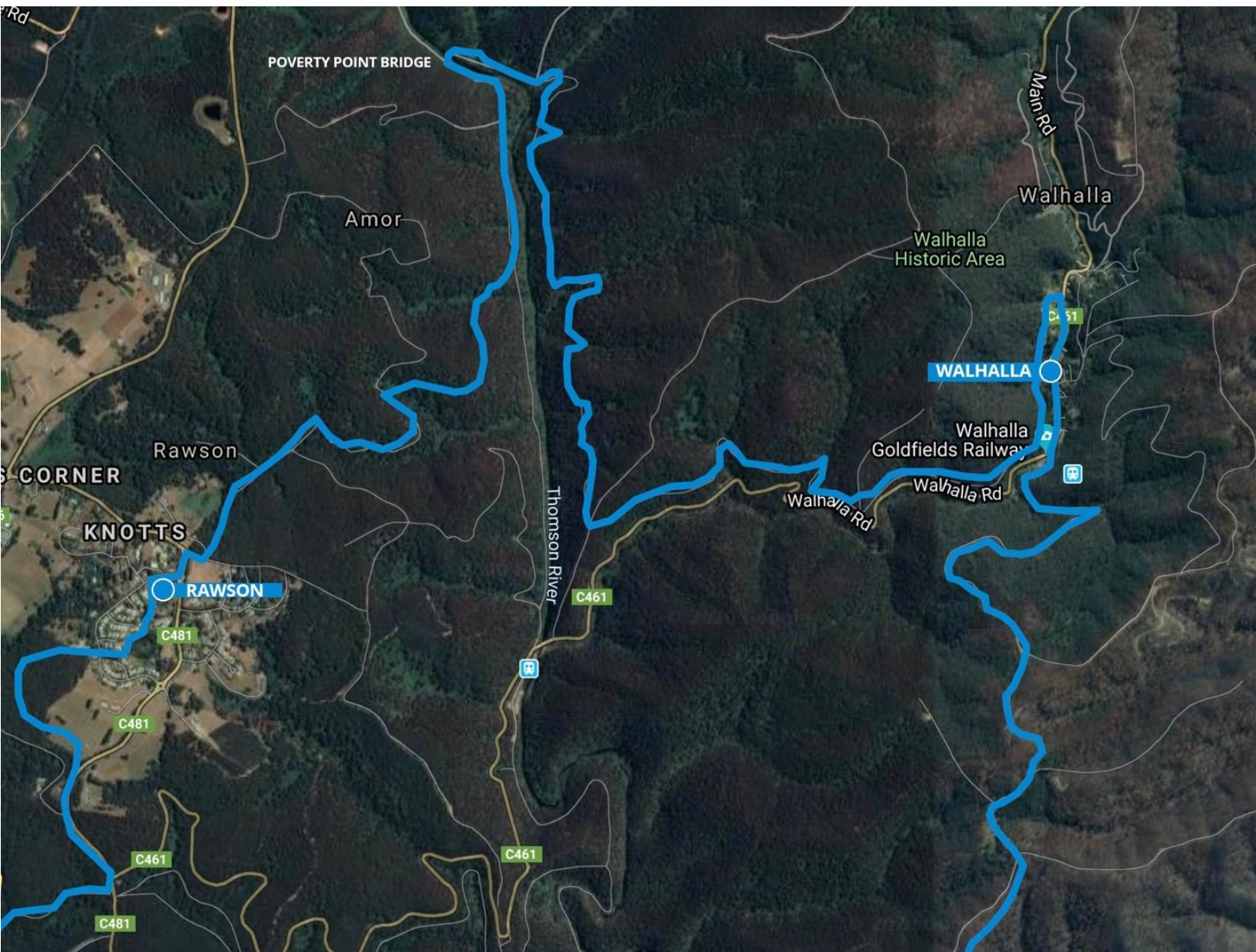
Issues

- Not purpose built for mountain biking, but offers a multi-market connector between the towns and fits the needs of the Adventure Ride.
-

Section 5 Rawson to Walhalla | 13km

Section 5 of the proposed Baw Baw Epic ride leaves the village of Rawson before descending to the Thomson River and entering Walhalla.

Figure 8. Section 5 of the Proposed Baw Baw Epic Ride



Riders exit the Rawson township beside Depot Rd, crossing it opposite Dunstan Oval and picking up the trail on the north of Depot Rd, running close to Happy Jack Track.

The trail drops through bushland via Happy Jack Track (and/or new trail) to reach riverside trail heading north to the striking Poverty Point Bridge, a key walk-in tourist attraction in the area.

From here trail makes use of the Australian Alpine Walking Track (AAWT), requiring shared-use with walkers: the AAWT in this section is of a low-gradient such that it is not conducive to high speeds, comprised of a broad, now disused, historic rail trail benching. Therefore, the trail offers good lines of sight for both riders and walkers. Riders will catch glimpses of the infrastructure of times gone by with the remains of the old tramways and dry-stone walling that once supported the timber tramway from Walhalla.

The AAWT tracks above Walhalla Rd and Stringers Creek; the historic narrow gage Walhalla Railway can be seen below. The valley tightens and the slope steepens until riders arrive to the Walhalla township, remaining on the trail to the north end of town where they exit at the Long Tunnel Extended Gold Mine site, dropping onto Main Rd and rolling into Town for food and refreshment.

Rationale

- Opportunity for high quality flow / drop trail from Rawson to Thomson River
- Takes riders to iconic and scenic Poverty Point bridge (feature)
- Delivers riders to iconic historic town, providing opportunity for overnight stays and increased economic injection through a new (MTB) tourism stream. Riders provided opportunity to learn about gold rush era history of the area, providing storytelling and narrative benefits to the trail
- Timing of most multiday riders using the shared use section (earlier AM for leaving Rawson or later PM for arriving Walhalla) will be in a low-to-no foot traffic period
- Walhalla another accommodation and servicing option for multiday riders (57km)

Issues

- Draft alignment drops onto walking track on west side of Thomson River – should shared-use designation be an issue (although indications are that the trail is currently low volume), the alignment would be required work further north contouring before dropping in at Poverty Point Bridge.
- Proposed path requires shared use on the AAWT from Poverty Bridge to Walhalla Main Street – 7.4km. The trail here is a re-purposed benched rail trail, with a slight gradient and not conducive to high rolling speed, it has good lines of sight for both approaching riders and walkers. *Note: the AAWT has shared use designations (with horses, bikes and vehicles) on other sections in Victoria and NSW.*
- Potential conflict with other trail user groups (walkers), largely confined to the area immediately around Walhalla (busiest), likely that the timing of most mountain bikers using the trail would fall outside of peak walking traffic

Alternatives

- If shared use on the AAWT is not granted it would be possible (albeit expensive) to construct new MTB specific trail running adjacent to the existing AAWT. Trail would need to stay on northern side of Stringers Creek. This brings with it planning constraints.
-

Section 6 Walhalla to Bruntons Bridge | 7km

This section of the proposed Epic Ride leaves Walhalla and heads into the foothill country towards Bruntons Bridge on the Thomson River.

Figure 9. Map of Section 6 of the Proposed Baw Baw Epic Ride



Taking Walhalla Main Rd south, riders veer off east at the Walhalla Railway terminal and begin a steady uphill climb out of town on Happy Go Lucky Rd to Happy Go Lucky Camp. Investigations required as to whether new singletrack build is possible paralleling the road.

From Happy Go Lucky Camp, new trail build on the east side of Bruntons Bridge Rd would provide the opportunity for an extended flow section that rewards riders for the short, steep climb out of Walhalla.

The trail drops down to the Thomson River ASAP once nearing Bruntons Bridge and tracks the river into the Bridge and campsite.

Rationale

- Bruntons Bridge provides the option for a free campsite (overnight) and toilet facilities, expanding the market capture of potential riders to include 'back country' adventure riders (growing market). It also provides for an option for commercial tour operators to camp with paying riders.
- Bruntons Bridge and the gorge are spectacular features
- New build through relatively easy-build country (fire-cleared) and is a precursor to accessing Somewhere Good MTB park.

Issues

- No existing trails infrastructure to piggyback off, would require all new trail build and is remote.

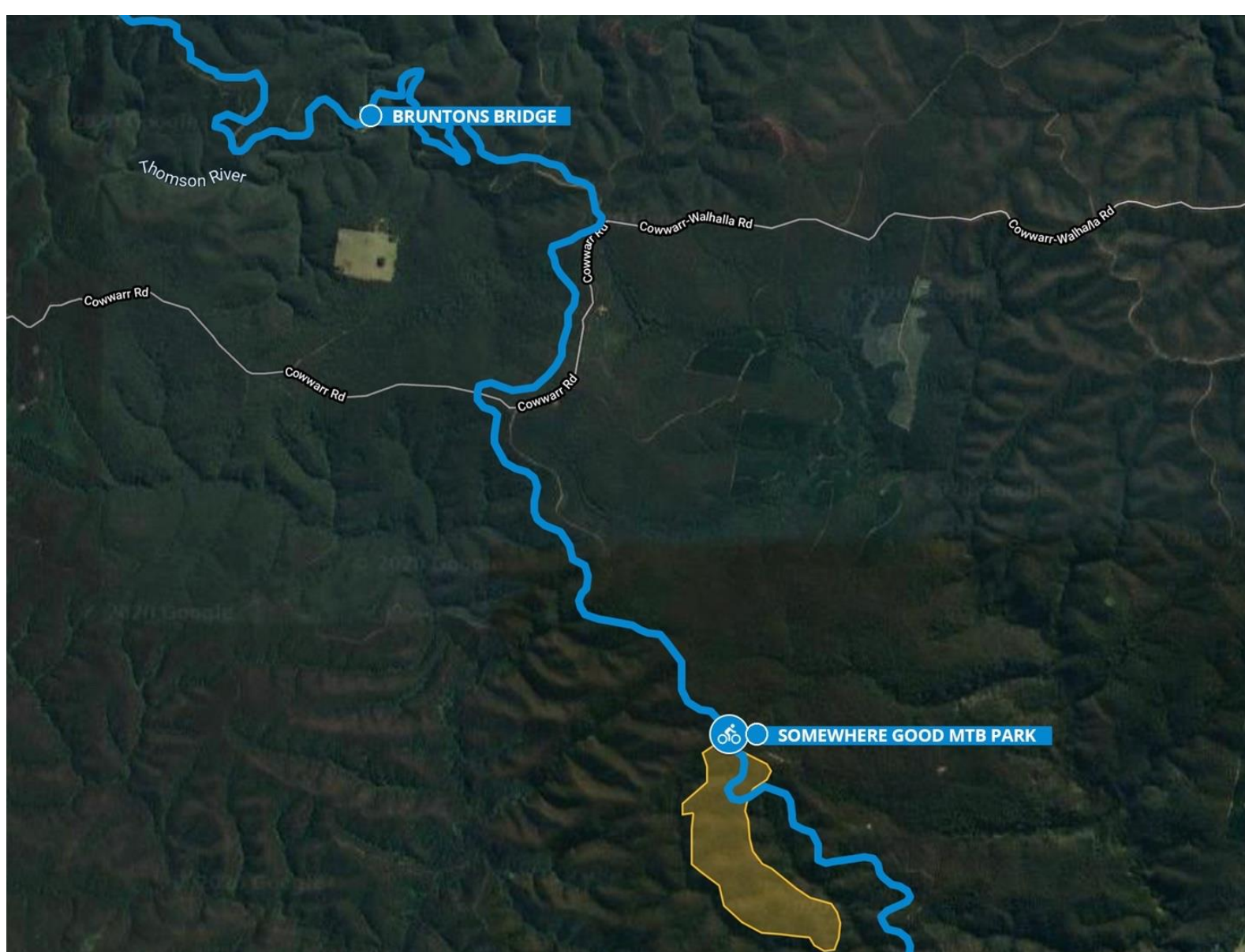
Alternatives

- Potential alternative exit from Walhalla at the north end of town via Church Hill Rd, climbing to and along Old Coach Rd to Maiden Town Track, to re-join route nearby Happy Go Lucky Camp.
-

Section 7 Bruntons Bridge to Somewhere Good Mountain Bike Park | 13km

This section leaves Bruntons Bridge on the Thomson River and traverses through foothill country to the Somewhere Good Mountain Bike Park.

Figure 10. Section 7 of the Proposed Baw Baw Epic Ride



Riders cross the Thomson River on Bruntons Bridge (existing) and then climb out of the valley floor, heading west on (new trail build) above Cowwarr Road. Before reaching the Eaglehawk Rd intersection, riders swing to the south on (already existing) singletrack – ‘Bruntons Bridge Up’ on Trailforks – reaching south to cross Cowwarr-Walhalla Rd. The route would be parallel to Old Glengarry Rd, staying high / close to the road to eventually link into the Somewhere Good Mountain Bike Park (SGMBP - part of the G7 MTB Hub Feasibility Study). This is a network of approx. 30km of fun, flow-style, blue-level trails that can be explored.

Rationale

- SGMBP provides existing excellent, though currently informal, trails and is scheduled for inclusion in the proposed hubs in the concurrent Gippsland G7 MTB Hub Feasibility Study
- SGMBP provides logical node point enroute to the best terminus location in Glengarry.

Issues

- Potential conflict with other trail user groups (motorbikes – on trails outside of Somewhere Good precinct), particularly on existing informal trails, which may already be used by motorbike riders.

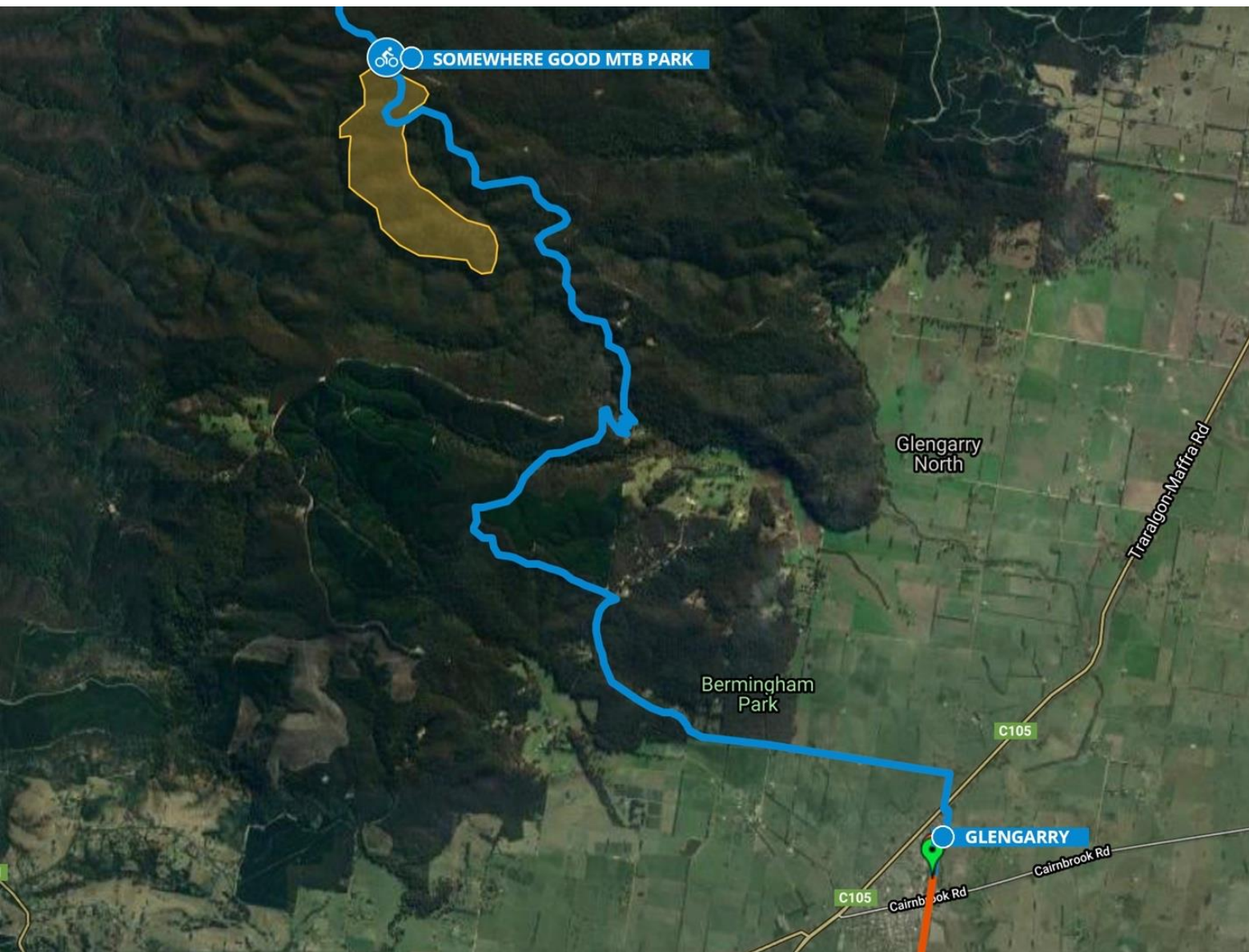
Alternatives

- Nil
-

Section 8 Somewhere Good to Glengarry (terminus 1) - 16km

The concluding section of the proposed epic trail leaves the Somewhere Good Mountain Bike park before arriving in the township of Glengarry.

Figure 11. Map of Section 8 of the Proposed Baw Baw Epic Ride



The Epic would next make use of existing informal (though high quality) MTB trail network trails at Somewhere Good before using contours to parallel Old Glengarry Rd (possible use of some informal MTB/motorbike trails in this area).

Riders are brought around the forest plantation west of Tandara Dr before crossing Rifle Range Rd and picking up existing singletrack/motorbike trails on the eastern side of the road. A final section of easy flowing singletrack deposits riders onto Brooks Ln. Riders then take Brooks Ln, providing the perfect opportunity to debrief about the ride's highlights, turning south on Glengarry N Rd, crossing Traralgon-Maffra Rd and rolling a final few hundred metres on the already-established Gippsland Plains Rail Trail into Apex Park and the finish of the Mt Baw Baw Epic.

Riders can also choose to continue via the rail trail, to the larger population centre of Traralgon.

Rationale

- SGMBP provides existing excellent though currently informal trails and is scheduled for inclusion in the proposed hubs in the concurrent Gippsland G7 MTB Hub Feasibility Study
- Excellent final destination into Glengarry which has a natural finish at Apex Park, an existing bike park, large staging area for events, parking, toilets, an iconic pub perfectly suited to catering for ride patrons, and new business potential (especially accommodation)
- Excellent final "big bang" ride experience maintains exciting / engaging ride experience through interesting terrain until Brooks Rd. Brooks Rd and final section rail trail provides a calming finish chute for rider debrief before rolling into Glengarry.

Issues

- Getting from Old Glengarry Rd to the plantation west of Tandara Dr
- Finding access to Brooks Ln at the trail's exit (private property issues)
- Potential conflict with other trail user groups (motorbikes), particularly on existing informal trails, which may already be used by motorbike riders.

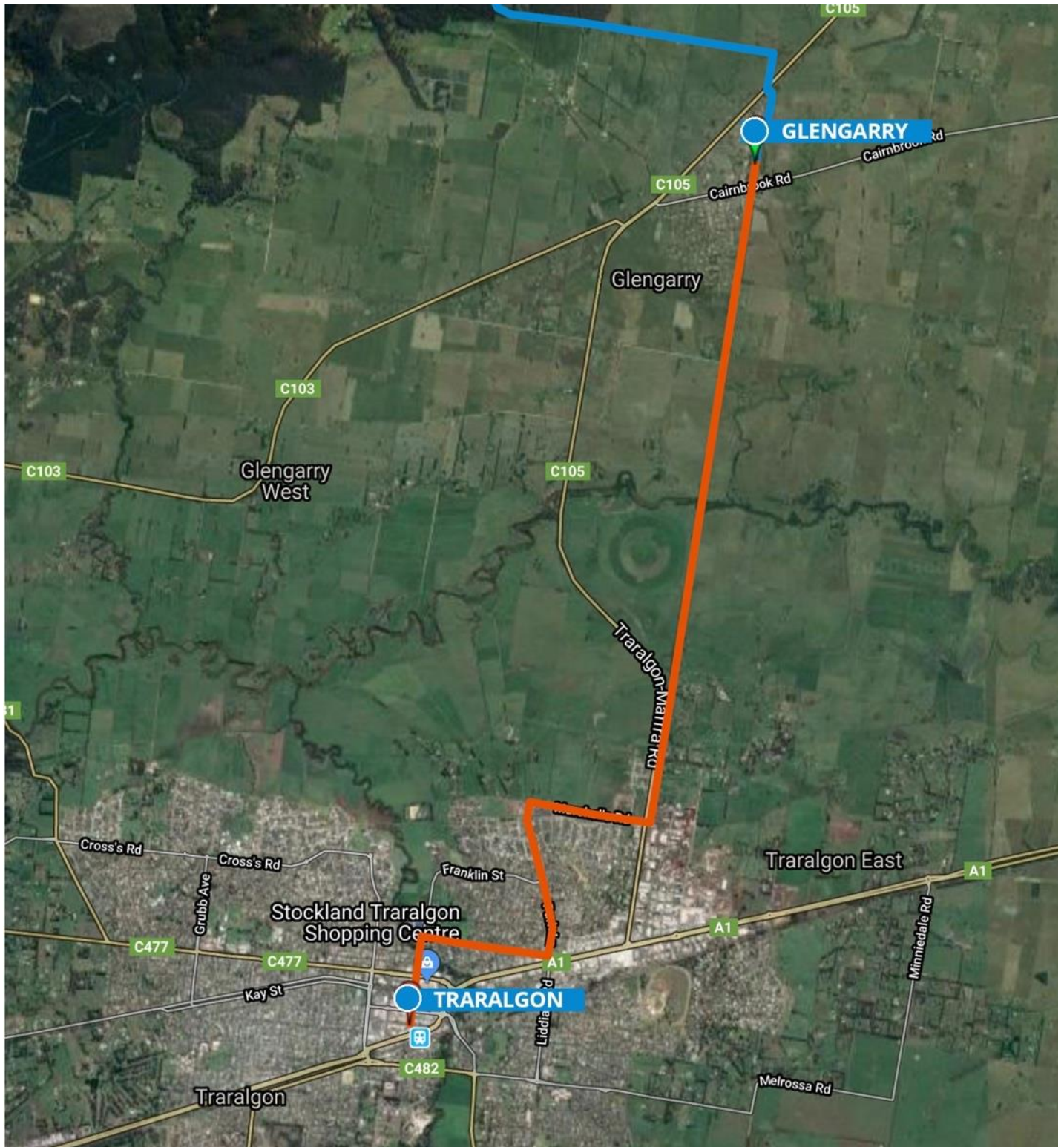
Alternatives

- If no Brooks Rd access is possible, potential to re-route trail to track close Old Glengarry Rd (possibility of using some informal MTB/motorbike trails in this area), exiting onto Frasers Ln, crossing Traralgon-Maffra Rd C-105, turning south on Gippsland Plains Rail Trail which leads into Apex Park, Glengarry (a total of an extra 11km). Will decrease quality of ride experience by forcing long, flat ride on road/uninspiring trail through unremarkable terrain into Glengarry.
-

Section 9 Glengarry to Traralgon (terminus 2) | 11km

This section the epic trail utilises the Gippsland Plains Rail Trail as an optional link into Traralgon.

Figure 12. Optional Section 9 of the proposed Baw Baw Epic Ride



The suggested route would officially terminate at Glengarry. This would create the best ‘rider experience’. However, rather than exiting at Glengarry, riders could opt to continue west on the existing Gippsland Plains Rail Trail to Traralgon (6km), should they want a bigger selection of accommodation and cafes/restaurants. This section of flat, non-technical graded trail opens the possibility of riders using the services and amenities of Traralgon, the region’s largest town.

Rationale

- Make use of existing rail trail infrastructure, requires no new build
- Opens opportunities for businesses in Traralgon.

Issues

- Nil

Alternatives

- Nil
-

Potential Product Combinations

Bolstering the expected interest in the Baw Baw Epic Adventure Ride is the capacity for the product to be experienced in many formats, pending the time available for a rider, the desired type of experience, budget, seasonality and weather conditions.

The table below shows just some of the iterations of how a rider may experience and interact with the fully-developed trail and off trail visitor nodes, noting that this list is not exhaustive, and the hop-on, hop-off nature of the trail means users can ‘choose their own adventure’ to suit their needs.

The iterations in the table below allow the trail product to better target multi-day and repeat visitations – and the associated economic stimulus – given the breadth of experience formats available.

Table 8. Potential product combinations of the proposed Baw Baw Epic Adventure Ride

PRODUCT	DAYS	START	FINISH	FEATURES
BAW BAW TOP FLOW Baw Baw Flow 1	1 - 2	Baw Baw Village	Chairlift Corner	Flowing trail through big forest, ferns and granite boulder gardens. A highlight section of the Epic. Shuttle pick-ups. Return to mountain. Combined with riding other trails on mountain.
BAW BAW TOP FLOW Baw Baw Flow 1+2	1 - 2	Baw Baw Village	Buddy's Shuttle Exit	And extended flowing trail through big forest, ferns and granite boulder gardens. A highlight section of the Epic. Shuttle pick up/s. Return to mountain. Combined with riding other trails on mountain.
BAW BAW TOP FLOW Baw Baw Flow 1 + 2 + 3	1 - 2	Baw Baw Village	Christmas Creek Shuttle Exit	And extended flowing trail through big forest, ferns and granite boulder gardens. A highlight section of the Epic. Shuttle pick up/s. Return to mountain. Combined with riding other trails on mountain.
BAW BAW TOP FLOW Baw Baw Flow 1 + 2 + 3 + 4	1 - 3	Baw Baw Village	O'Shea's Mill / East Tyers Camping	And extended flowing trail through big forest, ferns and granite boulder gardens. A highlight section of the Epic. Shuttle pick up/s. Return to mountain. Combined with riding other trails on mountain.
TOP HALF OPTION Baw Baw > Rawson	1 - 2 day	Baw Baw Village	Rawson	Full day ride from Baw Baw to Rawson, including potential to experience Erica MTB trails (East & West)
BOTTOM HALF OPTION Rawson > Glengarry	1 day	Rawson	Glengarry	Full day ride from Rawson to Glengarry, including Walhalla visit and potential to experience Somewhere Good MTB Trails
WINTER OPTION Walhalla > Somewhere Good > Glengarry	1 day	Walhalla	Glengarry	Utilising landscapes and trails better suited to winter season with lower elevation. Could also encompass solely Somewhere Good + MTB Park > Glengarry.
FULL OPTION Baw Baw > Rawson or Walhalla O/N > Glengarry	2 - 3 days	Baw Baw Village	Glengarry	Primary product taking the Epic in halves. Can choose to stay at Rawson/Erica or Walhalla for that heritage feel.
FULL OPTION Baw Baw > Rawson or Walhalla > Glengarry	3 days	Baw Baw Village	Glengarry	Primary product taking the Epic in halves but taking an extra day to stay and ride the Erica MTB trails and/or visit Walhalla.
FULL EPIC OPTION Baw Baw > > Glengarry	1 day	Baw Baw Village	Glengarry	This one is truly epic and a big challenge, taking on the entire length in one day.
CAMPING OPTION Baw Baw > O'Shea's Mill or Tyers Junction > (resupply at Rawson) Walhalla > Bruntons Bridge > Glengarry	4-5 days	Baw Baw Village	Glengarry	For back country and adventure riders who like a bit of self-sufficiency and prefer to camp, enjoy the multiple camping locations on offer (choose any combo of East Tyers, Tyers Junction, Erica, Rawson, Walhalla, Bruntons Bridge) and resupply at Erica/Rawson/Walhalla.
SLOW OPTION Baw Baw > Erica > Walhalla > Bruntons Bridge (supported luxe camp) > Glengarry	4-5 days	Baw Baw Village	Glengarry	Taking it easy, with quality accommodation en-route including a special luxe supported camp at Bruntons Bridge. Can extend from 4 to 5 days by working in another stay at Tyers Crossing (luxe camp supported or lodge)

Costing the Proposed Trail

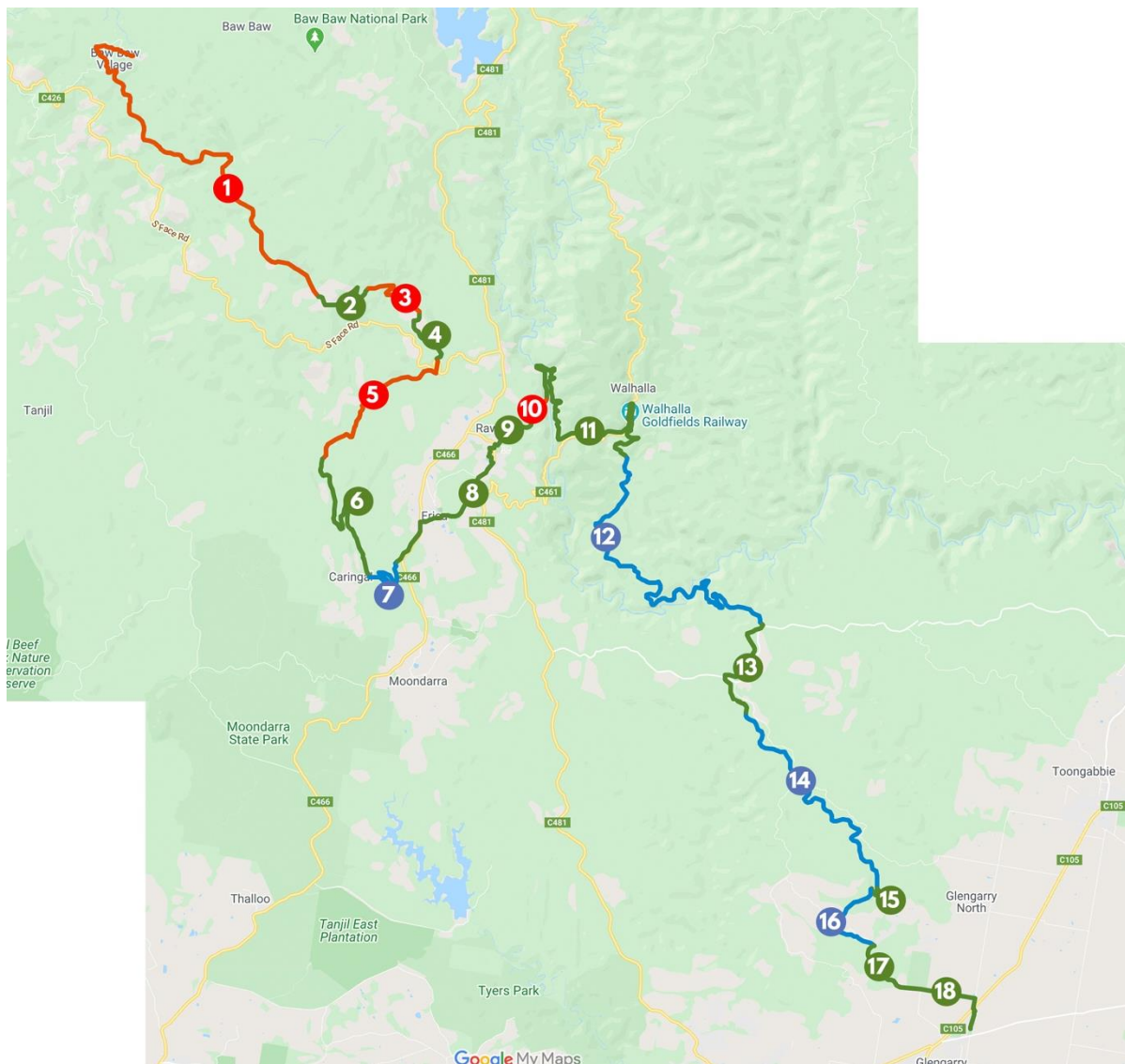
For the purposes of estimated build cost, the proposed draft Baw Baw Epic alignment has been categorised into three build types and averaged costings per kilometre for that build type:

- **Intensive build, new trail**
- **Ordinary build, new trail**
- **Upgrade build, existing trail**

The sections of trail to be constructed and or maintained are as per the mapping (below) which can also be viewed at: www.shorturl.at/fvLQ1.

For the purposes of build mapping, taking into consideration landscape and environmental parameters (rather than ride stage parameters), the sections below *do not* correlate directly to the alignment sections as described previously (the diagram below allocates 'build mapping' sections rather than 'ride' sections).

Figure 13. Map of Sections of Trail to be built and or upgraded for the purposes of costing the trail.



Estimated Costs Summary

The total cost of the proposed trail build (note this excludes other infrastructure, and planning costs, including the potential for vegetation offsets as well as bridging) can be developed using the build type and length of trail within each category. Table 8 below provides the length of build under each category.

Table 9. Length of Proposed Trail within Each Category of Trail

BUILD TYPE	COST / KM	TOTAL DISTANCE ACCORDING TO IDENTIFIED SECTIONS	TOTAL COST
Intensive, new (NBI)	\$60k	26km	\$1.56m
Ordinary, new (NBO)	\$40k	30.5km	\$1.22m
Upgrade, existing (UGT)	\$25k	43.5km	\$1.09m
All Trail	\$38.7k/km average	100km	\$3.87m

Detailed Sectional Analysis of Trail Build Type.

Details of the sections ascribed to each category are shown below in Table 9.

Table 10. Sections of Trail and Build Types. Distances rounded up to nearest 0.5km for contingency given desktop mapping variances

BUILD SECTION #	CATEGORY	DESCRIPTOR	DISTANCE BUILD TYPE NBI	DISTANCE BUILD TYPE NBO	DISTANCE BUILD TYPE UGT	NOTES
1	NBI	Baw Baw to South Face	15.5km	X	X	Describes draft option #1 coming down to Chairlift Corner and across. Likely intensive build, intensive offsets, difficult build terrain, significant environmental considerations
2	UGT	Forestry Track	x	x	3km	Ends at top of Eastern Tyers Walking Track, not surveyed, unsure condition of track, in forestry area
3	NBI	Drop to East Tyres	3km	x	x	Avoids steep drop of East Tyres Walking Track alignment
4	UGT	East Tyres Rd	x	x	2.5km	Uses East Tyers Rd – condition not surveyed
5	NBO	East Tyres Walking Track alignment	6km	x	x	Aligns with walking track; designated NBI as uncertain proposition of using ETWT alignment + intensive build regardless
6	UGT	Tyers Junction Rail trail alignments	x	x	6.5km	Various exit trails, most in decent useable condition (minor upgrades) some covered in light bush.
7	NBO	revised climb alignment Erica West Trails	x	3km	x	

BUILD SECTION #	CATEGORY	DESCRIPTOR	DISTANCE BUILD TYPE NBI	DISTANCE BUILD TYPE NBO	DISTANCE BUILD TYPE UGT	NOTES
8	UGT	Erica Entry + Exit Thomson Rail Trail	x	x	4km	
9	UGT	Rawson Entry + Exit	x	x	4km	
10	NBI	Drop to Thomson	1.5km	x	x	New build, drop to riverbank
11	UGT	Thomson to AAWT to Walhalla to Maiden Town Track	x	x	12km	Uses AAWT, some road alignment through Walhalla Main Street; road alignment for climb up to Maiden Town intersection?
12	NBO	Maiden Town Track to Cowwarr Rd intersection	x	14.5	x	
13	UGT	Cowwarr Rd intersection to F22 track (arbitrary split)	x	x	4.5km	Existing (unofficial) trail crosses Eaglehawk Rd at some point (unmapped), hence arbitrary point of starting NBO from UGT
14	NBO	F22 to Five Ways Somewhere Good_F9 Track	x	9km	x	Potential small sections of UGT if using Somewhere Good centrelines
15	UGT	F9 Track section	x	x	1km	Use existing forestry track for switchback?
16	NBO	F9 Track section Rifle Range Rd	x	4km	x	
17	UGT	Rifle Range Rd side trail	x	x	3km	Moto track exists beside road for entire drop
18	UGT	Brooks Rd_Rail Trail	x	x	3km	On road and existing rail trail, minor works only (i.e. rail trail side fun features)
TOTAL			26km	30.5km	43.5km	100km
Cost per km Build only			\$60k	\$40k	\$25k	100km
TOTAL			\$1.56m	\$1.22m	\$1.09m	\$3.87m

Rounding Up

The figure of \$3.87 million derived from the schedule of rates method applied above is most likely going to under-estimate the total cost of construction of the trail although it does provide a good bases upon which to build a cost estimate for the purposes of the business case evaluation.

Accordingly, we will add \$1.13 million to the schedule of rates figure above to allow for such costs as:

- Infrastructure not covered specifically in the rates
- Native vegetation off-set costs
- Some detailed planning costs, and
- Contingency

For the purposes of the economic evaluation, we propose a figure of \$5 million.

5 Planning and Strategy Alignment

The proposed Baw Baw Epic Adventure Ride concept takes its lead from and builds on relevant strategies and plans published across sport and recreation, tourism and destination management, mountain biking, and regional development sectors.

Several important regional and State-wide reports and strategies have been developed in recent years which provide the strategic context for the proposed ride. Table 11 below provides a summary of some of those.

Table 11. Previous Reports and Strategic Alignment

REPORT	CONTENT RELATED TO THE PROPOSED BAW BAW EPIC TRAIL
Gippsland Tracks & Trails Feasibility Study (2019)	Recommends the development of this feasibility study into the Baw Baw Epic Adventure Ride concept and highlights the need for ‘hero’ or ‘signature’ trail development as a priority for the Gippsland region.
Gippsland Destination Management Plan (2019)	Inclusive of the recommendation to “Develop signature or hero experiences, which will become the lead products for Gippsland as well as supporting experiences and services required to ensure visitor satisfaction.” And “Develop a framework for sustainable growth of the visitor economy, leveraging the attributes, businesses and activities quintessential to Gippsland. Identify potential new opportunities that can assist in growth and yield, have the potential to attract investment and/or revitalise existing assets. The Baw Baw Epic aligns with the DMP’s primary ‘Experience Themes’ including as a Hero Experience and Support Experience under ‘Inspired Adventure’; as a Support Experience under ‘World Class Sanctuary’; and a Support Experience under ‘Vibrant Local Communities’.
Victorian Trail Strategy 2014-2024	Victorian State Government - provides the strategic context for trails and outlines the importance of tourism and nature-based products to Victoria. The strategy provides investment criteria for the guidance on which trails to invest in.
Gippsland Regional Plan – 2015 to 2020	A partnership between the leadership of Gippsland, including all three levels of government, RDA, the Committee for Gippsland, the Regional Managers Forum, GLN and other groups. The plan focuses on Economic Prosperity, Education and Community Wellbeing, Natural Environmental Stewardship, Connectivity. Specific to the trails feasibility studies and reinforcing potential strategic directions are the directives to attract investment in Gippsland’s public parks and the adaptation to climate change.
Central Gippsland Public Land Strategy 2018, DELWP	The Strategy aims to increase tourism-related jobs by 2,600. References Tasmania taking a lead in seeking investment in private infrastructure and trails tourism and recommends Gippsland has the core ingredients to do similar. Recommends two hero products, Walhalla/Baw Baw and Wilsons Prom, in the study area. Recommends Baw Baw Village improve mountain biking and bike lifting options.

REPORT	CONTENT RELATED TO THE PROPOSED BAW BAW EPIC TRAIL
Cycle Opportunities Assessment November 2017, Baw Baw Shire Council	Identifies the variety of trails, highly visible signage and infrastructure as three priorities for attracting mountain bikers bike riders
Cycling in Baw Baw Feasibility Study 2020 Baw Baw Council	The study adopted by Council in 2020 recognises the opportunities for increased cycling in the Shire. The study references the opportunities for mountain biking – specifically the potential for an increased Erica MTB park and a flow track from Baw Baw to the Latrobe Valley, directly aligning with the intent of this feasibility study.
Mt Baw Baw ARMB Mtn Biking Trails Concept Plan June 2011. Mt Baw Baw Alpine Resort	Identifies mountain biking as a core green season activity on mountain and presents a concept alignment for a flow trail from the village resort to South Face Road, an alignment of some relevancy to the Baw Baw Epic Adventure Ride.
Gippsland Mountain Biking Hub (G7) Feasibility Study (2020 – In Development)	Seven proposed focus bike park centres to be developed and marketed under a (working name) G7 MTB Hub brand and operational structure. Crossover with Baw Baw Epic proposal with three of the proposed mountain biking hubs (Mt Baw Baw, Erica and Somewhere Good) intersected by the Epic draft alignment.
Draft Public Land Mountain Bike Guidelines 2020. Parks Victoria	The document provides a range of principles and planning guidelines for the development and use of mountain bike trails on public land in Victoria. The DRAFT provides for a strategic assessment of the proposal and looks at each proposal in the context of the underlying land tenure upon which it is built and the need for the trail.

It is acknowledged that this is a scan of the available high-level strategy and plans that may influence the proposed development of the trail. It is also acknowledged that there are many other ‘Statutory’ approvals that would be required to be achieved for the trail to proceed, assuming that it is taken forward to the next phase. These considerations might include but not be limited to:

- Park Management Plans and their zones and prescriptions
- Native Vegetation Policy and its implications for construction of new trails
- Environmental Considerations including the protection of threatened species
- Cultural Heritage and the need for a Cultural Heritage Management Plan or survey
- Fire and Emergency requirements including building code issues for infrastructure.

Many of these items would need to be considered in the development of a Master Plan for the proposed trail which would consider these ‘approval’ and other regulatory and statutory issues in more detail.



IMAGE: Trails within the Erica MTB Park, a midway visitor node focus of the Epic Adventure Trail.

6 Alignment with the Central Gippsland MTB Hub (G7) Proposal

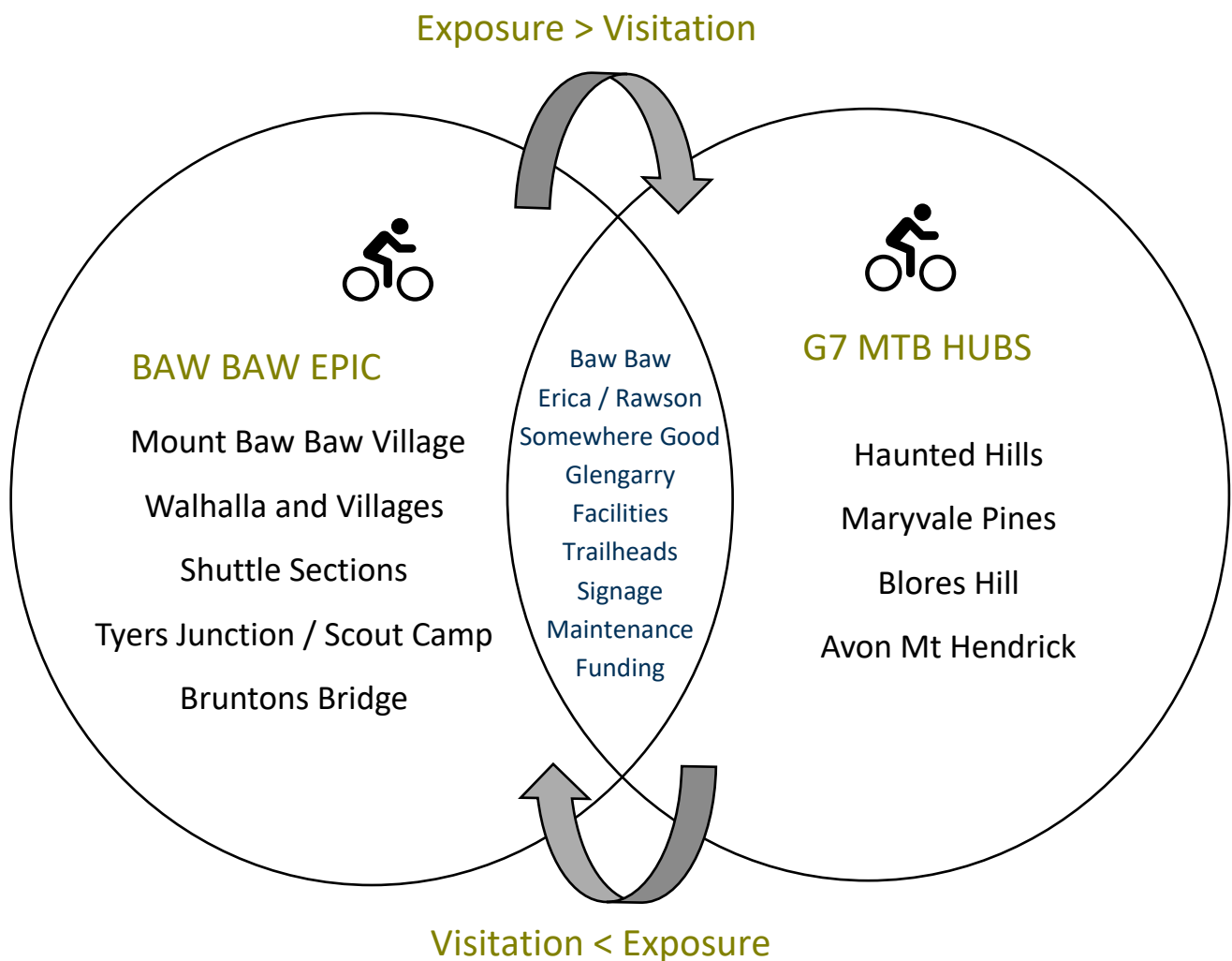
In considering the Baw Baw Epic Adventure Ride concept, it is important to consider the concurrent development of the proposed Central Gippsland G7 MTB Hub concept, as investigated in the *Gippsland G7 MTB Hub Feasibility Study (TRC Tourism, 2020)*.

The Gippsland G7 MTB Hub concept centres on the identification of seven different mountain biking parks located across Central Gippsland, each existing at different levels of formalisation and development. The aim is to create a collective mountain biking brand and layered ride offering to position Gippsland as a major centre for mountain biking activity. The overarching goal is to provide increased visitor activity to Gippsland as well as providing a greater level of recreational opportunity for residents.

The creation of a mountain biking Hub that incorporates seven bike parks within an hour's drive of each other and major population centres of Morwell, Moe and Traralgon, will create scale and diversity that offers significant visitor potential while also delivering community benefit.

Importantly:

- Three of the proposed G7 bike parks would be intersected by trail alignments, access points and facilities for the proposed Baw Baw Epic. Those being: Mt Baw Baw (trailhead + trail sections); Mt Erica (access + trail sections); Somewhere Good (access + trail sections)
- Development of the G7 Hub and associated bike parks will benefit the Baw Baw Epic Adventure Ride proposal and influence epic trail alignment, and vice versa
- Staged sections of the Baw Baw Epic could be pre-developed as part of G7 Hub development, giving best economies of scale / investment returns
- G7 bike park funding strategies could be inclusive of leveraging broader benefits and infrastructure outcomes for the Baw Baw Epic trail.



Additional benefits are likely to be realised in Gippsland from the delivery of both the G7 and the Epic Ride. These may include:

- Stronger positioning of Gippsland as a trails destination with three areas of national significance (Omeo, G7 and the Epic Ride)
- Longer stays and more repeat visitation providing stronger incentives for business aligned to trail services to invest and grow their level of offer
- Higher levels of investment in trails likely as governments (Local State and Federal) see the economic and social benefits of trail and outdoor active pursuits
- Stronger governance arrangements as scale provides land managers and government the opportunity to establish and invest in appropriate arrangements.

7 Opportunities

This section investigates the opportunities that could arise from the development of the proposed epic trail. The following are not exhaustive, and others will emerge over time.

G7 MTB Hub Feasibility Study

As described, the parallel development of the development of the G7, aligned with the *Gippsland G7 MTB Hub Feasibility Study* will create opportunities for better economies of scale and return on investment, with some layering of infrastructure spend serving both projects simultaneously while minimising overall infrastructure spend.

Further, each project will deliver marketing exposure and visitation benefit to the other, with users of the Baw Baw Epic Adventure Ride being exposed to the G7 offerings and vice versa, inspiring further exploration of the region's mountain biking offer, delivering repeat and extended visitation. This is captured in the economic section of this report. The development of both projects would see the region being positioned nationally and internationally as a mountain bike region of stature.

Gippsland Smart Specialisation Strategy

The scale of the trail design, build, operation and maintenance required by the Baw Baw Epic Adventure Ride (combined with the Gippsland G7 Hub bike parks) strengthens opportunity to leverage regional growth initiatives such as the Gippsland Smart Specialisation program (RMIT / Melbourne University / Latrobe Valley Authority) under its innovation stream.

Further, the Epic trail build could contribute to seeding research and development of the first Australian Standards for MTB Park and Trail infrastructure; the potential based on number and diversity of bike ride products required across the proposed Baw Baw Epic and G7 suite.

The epic also potentially gives leverage for Gippsland to become a design and build centre for Australia MTB park infrastructure features that might include creating skills capacity to review, design, build and install within G7 parks and the Epic trail. Focusing on 'smart features' that could include removeable/transportable features and bridges, the potential business may lead to opportunity for broader local public/private build/maintenance and skills development to take on innovative MTB feature design and build. Eventually this may lead to other market/export ready status. Through its focus on the Visitor Economy, smart specialisation is exploring other opportunities in product development and technology with the goal of increasing visitation and enhancing the visitor experience.

Details of the approach can be found at:

<https://sustainable.unimelb.edu.au/research/research-projects/gippsland-smart-specialisation-strategy>

Ride Nation / Gippsland Ride Centre

Cycling Australia's strategy to build participation in bike riding has a dedicated participation brand 'Ride Nation' and aims for more people to enjoy riding their bike – regardless of age, circumstance, skill level and location.

The online program endorses current riding programs and activities being delivered around the country and builds value adding partnerships to support these to achieve greater reach. The brand will be realised via digital spaces, physical spaces and school programs. The Ride Nation presents an opportunity for the Baw Baw Epic Adventure Ride to engage and achieve exposure to a targeted community, while giving tour operators a forum to market their experiences. As part of the Ride Nation program, a series of designated physical 'Ride Centres' are being created – currently in Ballarat and Wollongong). It is planned that Warragul will host a centre representing Gippsland as a Ride Centre.

The development of the Baw Baw epic trail and the associated Central Gippsland Mountain Bike Hub (G7) will support the Ride Centre in Warragul.

More information can be found at www.ridenation.com.au/

Individual Locations

Mount Baw Baw Resort

Mt Baw Baw alpine village would gain support for a significant upgrade investment within the resort in terms of facilities and trail upgrades, potentially benefiting from predicted visitation and associated green season expenditure. As the beginning of the Epic route, a major ride and return centre for shorter shuttle-based sections of the Epic, and a designated bike park within the G7 proposal, the resort would need to upgrade its trails and cycling facilities, in order to best reflect the quality-targets of the overall trail development and therefore realise the significant benefits.

Erica & Rawson – Twin Town Development

As the halfway point of the Epic Adventure Trail, the twin townships of Erica and Rawson represent a significant opportunity in terms of regional investment for township revitalisation. Currently, both towns feature good levels of base infrastructure however it appears to be underutilised. Rawson was built to service more than 1000 workers, with excellent supporting facilities and public spaces, it remains a mostly empty town (i.e. seven out of eight retail spaces remain empty). This provides the perfect platform for tourism and hospitality industry growth fuelled by the implementation of the Epic Adventure Trail and/or the Gippsland G7 Hub proposal, both of which would feed visitation, attracting on-flow investment and in turn bring a renewed vibrancy to the townships.

Caringal Scout Camp

Located approximately 39km along the Baw Baw Epic Adventure Ride route at Tyers Junction, the Caringal Scout Camp would serve as a potential public accommodation node and service facility. Routing the ride via Caringal gives opportunity for Scout Camp engagement, feeding income to that (not-for-profit) business and in doing so supporting the scouting movement and the important work it does in our community encouraging outdoor recreation. Further, intersecting the scout camp gives opportunity to engage and activate the scouting community, who would become a prime user of the trail and ride experience now on their doorstep.

Walhalla

A centrepiece of historical tourism in Central Gippsland, Walhalla sits approximately 64km along the Baw Baw Epic Trail, the alignment delivering a new type of visitor to enjoy its goldmining heritage and pioneering storytelling. The facilities in Walhalla will provide a significant potential overnight stop for riders undertaking the entire epic trail. The opportunity for commercial tour operations also increases with Walhalla, Erica and Rawson being potential bases for any such market led commercial business.

Glengarry

Already a small but vibrant settlement, with good public spaces, a BMX track, rail trail, historical station café and pub, Glengarry is a logical host for ending the Epic Ride experience. With increased visitation delivered by the Epic trail (and arguably further ride visitation to the nearby Somewhere Good MTB park), Glengarry sits ready for investment to grow its hospitality and accommodation offering, reinvigorating the township and leveraging tourism-related business opportunities.

Somewhere Good Bike Park Formalisation

Located approx. 16km from Glengarry and the ride terminus, Somewhere Good MTB Bike Park is a (currently) informal network of good quality, hand-built MTB trails. Completing the Baw Baw Epic Adventure Ride (and associated G7 MTB Hub project) would likely precipitate formalisation and upgrade of these trails. Subject to formalisation through the appropriate land managers, an upgrade is deemed necessary to achieve a high quality, sustainable ride experience and further contribute to the influx of ride-based visitation.

Other Elements

All season ride visitation

Whilst the altitude of Mount Baw Baw and nearby alpine environs makes winter use of the upper reaches of the proposed trail impossible (potentially closed from late May through late September), the remainder of the trail, especially from Walhalla through to Glengarry, together with the prevailing common weather conditions present in that region, means sections of the trail remain open year-round, extending the useability of and visitation to the trail. This could be a promoted feature of the lower trail sections, given many other MTB trails in Victoria are closed in this period.

Bikepacking / Backcountry

Whilst the Baw Baw Epic Adventure Ride would be designed specifically for mountain bike style riders and bikes, the growth in bikepacking and gravel grind recreational cycling remains an opportunity to tap in to. Riders of these bikes may still choose to tackle the main trail (as a 'Blue' trail, this is feasible on many backcountry or gravel grind style bikes), or alternatively undertake the fire-trail / rail trail / wider sections of the route and link those up with the many back country dirt road routes that still link in the main service nodes of the Baw Baw Epic Adventure Ride route. The hop-on-hop-off and accessible nature of the alignment makes this possible.

Cross-region visitor flow – Warburton Valley

The proposed \$12 million mountain biking trail development underway in the Warburton Valley (approximately 100km to the west via Noojee) presents an opportunity for riders to be inspired to travel further afield across the range, to extend their ride experience. Warburton visitation is likely to be day / weekend visitation driven from the Melbourne market. With appropriate communication and marketing of the Baw Baw Epic Adventure Ride, this market (130,000 mountain bike visitors per annum of which 120,000 are day visitors and 10,000 are overnight visitors¹⁸ can be tapped in to and inspired to travel further east on their next ride adventure, to experience the Epic as a longer, more remote and wild adventure experience. The growth in the ride market being developed and supported in the Warburton Valley represents flow-on growth for Gippsland with potential users attracted by the hero ‘signature trail’ ride product that is the Baw Baw Epic Adventure Ride.

Events & Tours

The potential for events and tours involving all / part of the proposed Epic Trail should be integrated into any future masterplan or strategy, with considerations to further economic stimulus and exposure / marketing outcomes. Events drive not only event period visitation and extended visitor stay spend, they also drive return visitation outside of event periods, and create high visibility digital marketing outcomes in terms of social media.

With a managed, branded and marketed trail, tour operators have the foundation product on which to design and operate new multi-day tour offerings, helping build trail visitation capacity while building local economy and employment via operational spend and local employment (guides etc). This sector is important in considering attracting longer-stay, high-yield, low impact tourism.

PR & Marketing

As with any major nature-based tourism attraction, marketing and PR play a significant role in creating destination visibility, which translates into impacting ‘front of mind’ destination decision making. Traditional media articles, niche media coverage (i.e. MTB) and, specifically, social media user-generated exposure via imagery, commentary and recommendation plays a powerful role in making Gippsland a destination of choice. A product such as the Epic Trail, with inherent inspirational landscapes and associated visual content outputs (above-the-line marketing and user-generated), provides an anchor for online and in-media visibility. It also works to deliver visitation not just directly on trail, but to the broader Gippsland region, with off-trail attractions gaining complementary exposure.

¹⁸ Warburton MTB Feasibility Study. TRC Tourism 2017

8 Economic Impact Assessment

Introduction

This report provides an economic impact assessment of the proposed Baw Baw Epic Adventure Ride development. The results are indicative of the potential benefits from the development and operation of the trail. The modelling is based on estimates of annual rides/users (in different categories), and other assumptions utilised in quantifying spending in the region.

For operations, several types of users are identified: locals from the Latrobe Economic Region, visitors from Melbourne and surrounds, users from other regions, interstate visitors and international visitors.

The economic impacts of the trails arise from spending by these users/visitors in the towns adjacent to the trail and other spending in the broader region, health benefits of active recreation activities and a notional value of the trail to individual users.

Visitors from outside the region (particularly domestic and international overnight visitors/users) generate significant expenditure covering:

- food and beverage; accommodation (for overnight stayers)
- recreation and other services
- transport

Trail Users and Spending

Trail Users and Visitors

There is limited direct information on trail users. Trail use numbers have been estimated for a 10-year period of operations for several user categories. These user categories include:

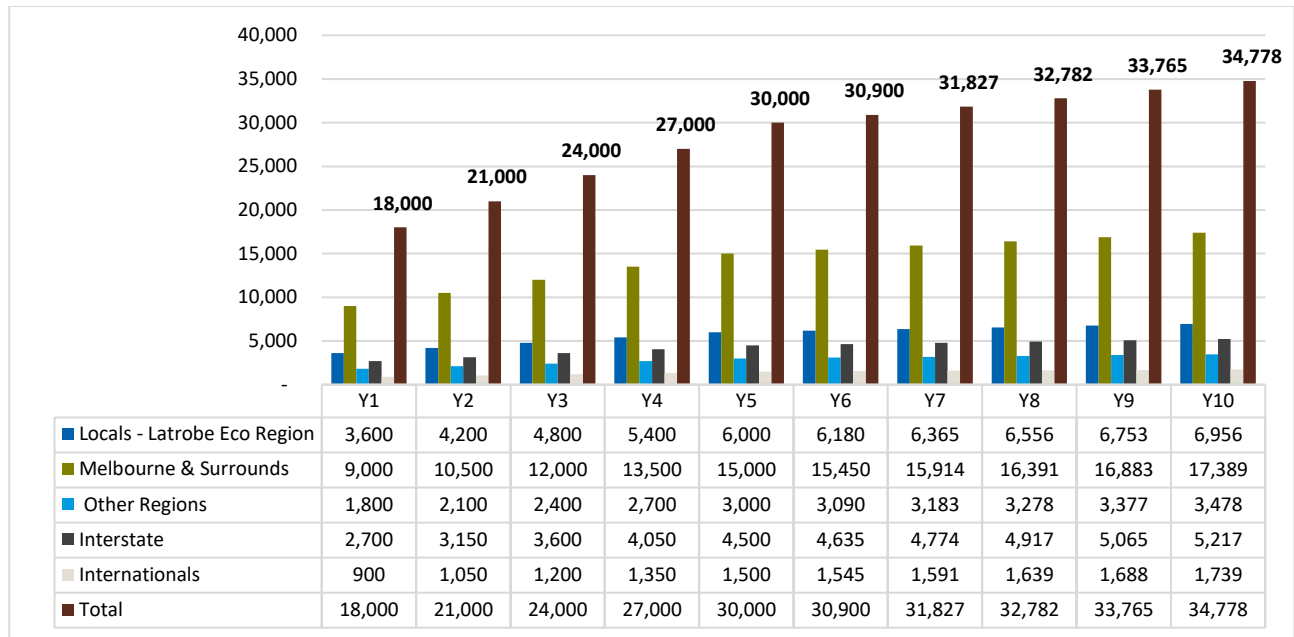
- Locals - Latrobe Economic Region
- Other Regional Users; Visitors from Melbourne and Surrounds
- Interstate Visitors
- International Visitors.

Assumptions were also applied to estimate the number of day visits and overnight visits in each category.

The 10-year modelling was based on calculating a base estimate of rides on the trail using the data and assumptions (year 5 of trail operations), allowing for establishment of the trail in the market and initial growth in users (60% of base in year 1, 70% in year 2, 80% in year 3, 90% year 4) and subsequent growth is based on a growth rate of 3% per year from year 6-10. The number of rides on the trail were estimated for the user groups.

Rides on the trail are projected to increase from 18,000 in Year 1 to around 35,000 in year 10. Figure 14 and Table 12 shows the rides by user groups based on the assumptions developed for the Epic trail.

Figure 14. Epic Rides by User Group Years 1 to 10 (estimates)



SOURCE: MCA MODELLING & ESTIMATES, MAY 2020

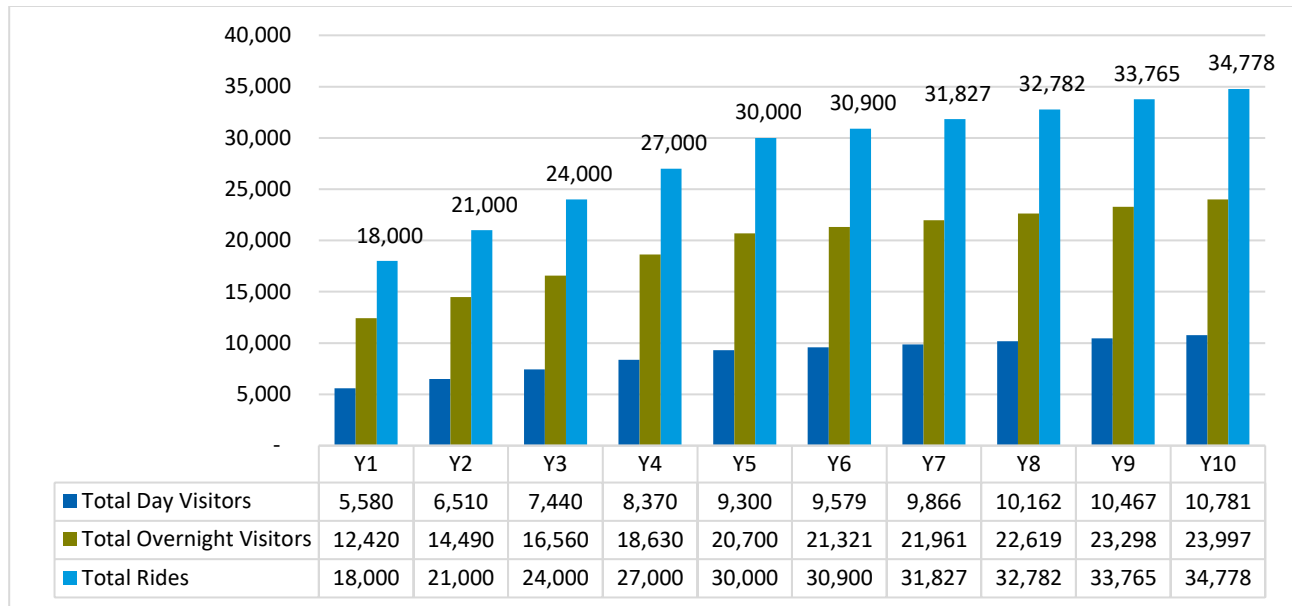
Table 12. Epic Rides per User Group Years 1 to 10.

RIDES ON TRAIL (ANNUAL)	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10
	60%	70%	80%	90%	BASE					
Locals - Latrobe Eco Region	3,600	4,200	4,800	5,400	6,000	6,180	6,365	6,556	6,753	6,956
Melbourne & Surrounds	9,000	10,500	12,000	13,500	15,000	15,450	15,914	16,391	16,883	17,389
Other Regions	1,800	2,100	2,400	2,700	3,000	3,090	3,183	3,278	3,377	3,478
Interstate	2,700	3,150	3,600	4,050	4,500	4,635	4,774	4,917	5,065	5,217
Internationals	900	1,050	1,200	1,350	1,500	1,545	1,591	1,639	1,688	1,739
Total Rides on Trail	18,000	21,000	24,000	27,000	30,000	30,900	31,827	32,782	33,765	34,778

SOURCE: MCA MODELLING & ESTIMATES, MAY 2020

Estimates were made of day visitors and overnight visitors based on several assumptions in relation to each of the trail user groups. The results are shown in Figure 15.

Figure 15. Epic Rides – Visitor Types Years 1-10 (no.)



SOURCE: MCA MODELLING & ESTIMATES, MAY 2020

These are further broken down into visitor types and user groups in Table 13 below.

Table 13. Epic Ride User Groups and Visitor Types – Estimates for Years 1-10 (no.)

RIDES ON TRAIL	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
DAY VISITORS										
Latrobe Economic Region	2,880	3,360	3,840	4,320	4,800	4,944	5,092	5,245	5,402	5,565
Melbourne & Surrounds	1,800	2,100	2,400	2,700	3,000	3,090	3,183	3,278	3,377	3,478
Other Regions	540	630	720	810	900	927	955	983	1,013	1,043
Interstate	270	315	360	405	450	464	477	492	506	522
Internationals	90	105	120	135	150	155	159	164	169	174
Total Day Visitors	5,580	6,510	7,440	8,370	9,300	9,579	9,866	10,162	10,467	10,781
OVERNIGHT VISITORS										
Latrobe Economic Region	720	840	960	1,080	1,200	1,236	1,273	1,311	1,351	1,391
Melbourne & Surrounds	7,200	8,400	9,600	10,800	12,000	12,360	12,731	13,113	13,506	13,911
Other Regions	1,260	1,470	1,680	1,890	2,100	2,163	2,228	2,295	2,364	2,434
Interstate	2,430	2,835	3,240	3,645	4,050	4,172	4,297	4,426	4,558	4,695
Internationals	810	945	1,080	1,215	1,350	1,391	1,432	1,475	1,519	1,565
Total Overnight Visitors	12,420	14,490	16,560	18,630	20,700	21,321	21,961	22,619	23,298	23,997

SOURCE: MCA MODELLING & ESTIMATES, MAY 2020

Spending in the Region

Spending in the region was estimated based on a range of information, including the recent TRA Local Government Profiles, combined with several assumptions on spend rates and the mix of visitors/trail users. Table 14 below provides the details of the spending assumptions

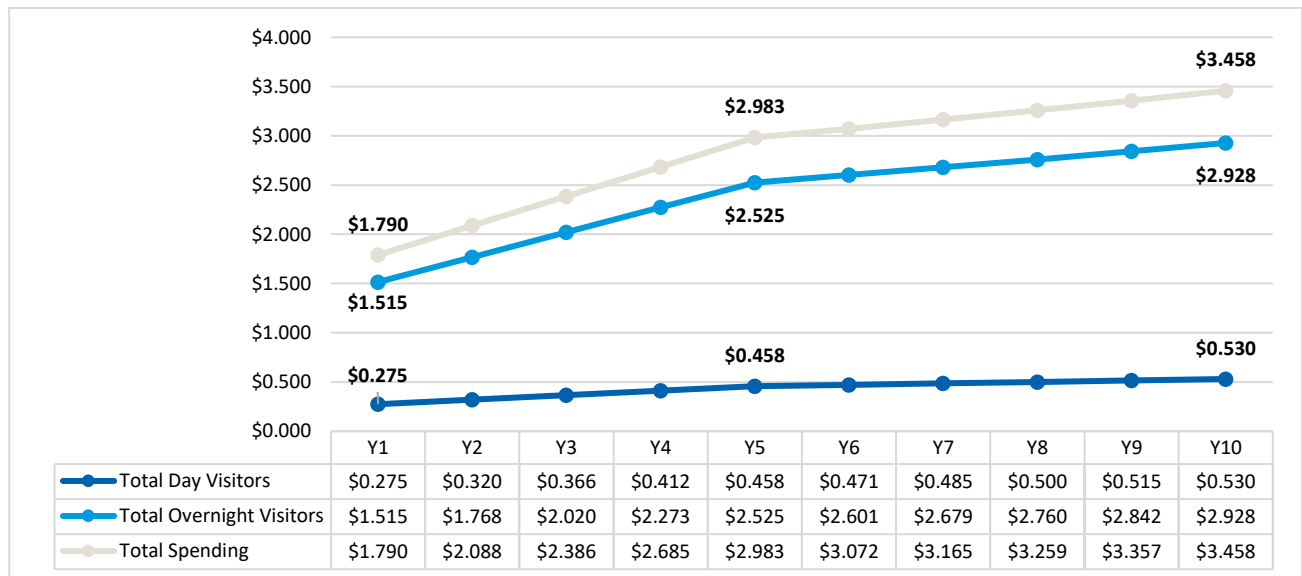
Table 14. Assumptions Used in Modelling Trail User Spending

MODELLING ASSUMPTIONS	USERS MIX		OVERNIGHTS LENGTH OF STAY			AVERAGE SPENDING (PER DAY) ¹⁹	
RIDER CATEGORIES	DAY VISITORS %	OVERNIGHTS VISITORS %	1 NIGHT	2 NIGHTS	4 NIGHTS	OVERNIGHT VISITORS	DAY VISITORS
Locals - Latrobe Eco Region	80%	20%	60%	40%	0%	\$122	\$25
Melbourne & Surrounds	20%	80%	40%	30%	30%	\$122	\$75
Other Regions	30%	70%	40%	30%	30%	\$122	\$75
Interstate	10%	90%	0%	60%	40%	\$122	\$75
Internationals	10%	90%	0%	60%	40%	\$122	\$75

SOURCE: MCA MODELLING & ESTIMATES, MAY 2020

The combination of user numbers by type, average spending and average length of stay is used to estimate annual spending (in constant 2020 dollars) in the region. The figure below shows annual spending for each of the user types. Spending in the region by trail users increases from \$1.790 million in year 1 to \$3.458 million in year 10.

Figure 16. Epic Ride User Spending in Region by Visitor Type (\$million – 2020 prices)

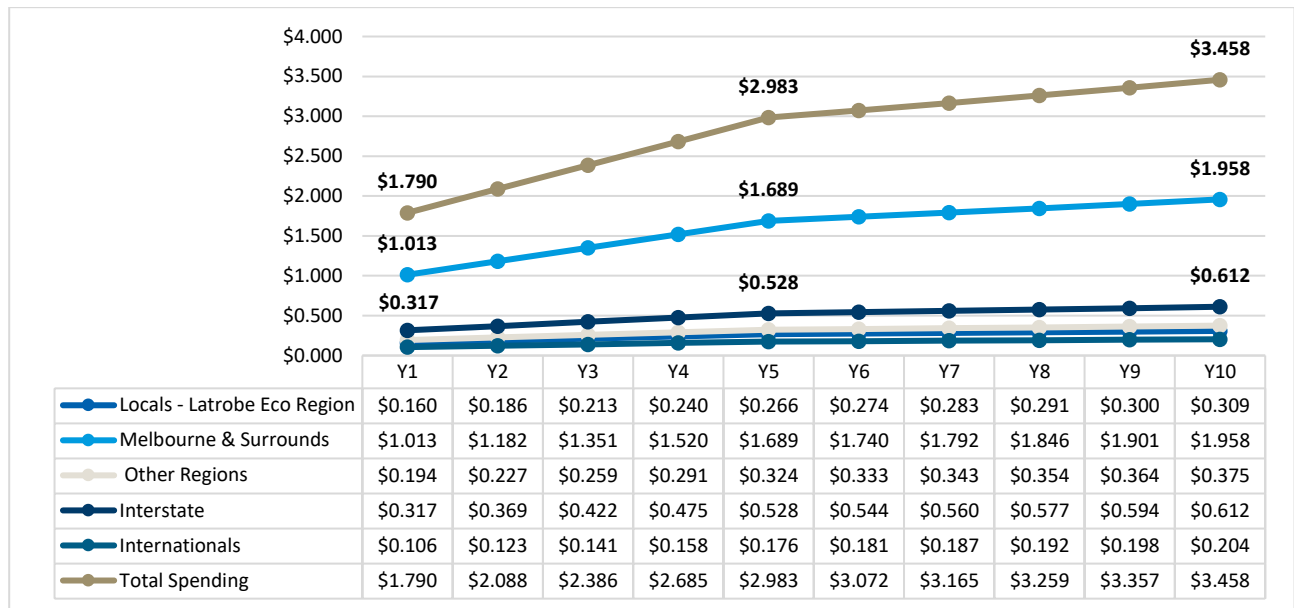


SOURCE: MCA MODELLING & ESTIMATES, MAY 2020

¹⁹ Average visitor spending (overnight \$122 and day visitors \$75) is based on an unweighted averages for 3 LGAs – Latrobe LGA, Baw Baw LGA and Wellington LGA (TRA Local Government Profiles 2018). Spending by locals – day visitors \$25 is an assumed amount (e.g. coffee/food).

Figure below provides the spending data in region by user group (\$ million – 2020 prices).

Figure 17. Epic Ride Total Spending in Region by User Group (\$million – 2020 prices)



SOURCE: MCA MODELLING & ESTIMATES, MAY 2020

The following table shows indicative estimates of spending by category for day visitors and for overnight visitors and events.

Total expenditure comprises:

- spending on trail-linked activities (including spending on bike related expenses and other spending - food and beverage etc.) in proximity to the trails
- spending on accommodation (for overnight stayers) and meals during their stay
- spending on other recreational and tourism services.

Table 15. Spending by Epic Ride Users in Region in Years 1-10. Indicative Estimates (\$million – constant 2020 prices)

TYPE OF SPENDING (\$ MILLION)	SHARE OF SPENDING %	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
TOTAL DAY VISITORS											
Food	65%	\$0.178	\$0.208	\$0.238	\$0.268	\$0.297	\$0.306	\$0.315	\$0.325	\$0.335	\$0.345
Bike Hire	15%	\$0.041	\$0.048	\$0.055	\$0.062	\$0.069	\$0.071	\$0.073	\$0.075	\$0.077	\$0.080
Guides	5%	\$0.014	\$0.016	\$0.018	\$0.021	\$0.023	\$0.024	\$0.024	\$0.025	\$0.026	\$0.027
Shuttle	15%	\$0.041	\$0.048	\$0.055	\$0.062	\$0.069	\$0.071	\$0.073	\$0.075	\$0.077	\$0.080
Total Spending - Day Visitors		\$0.275	\$0.320	\$0.366	\$0.412	\$0.458	\$0.471	\$0.485	\$0.500	\$0.515	\$0.530
TOTAL OVERNIGHT VISITORS											
Food & Accommodation	60%	\$0.909	\$1.061	\$1.212	\$1.364	\$1.515	\$1.561	\$1.608	\$1.656	\$1.705	\$1.757
Bike Hire	20%	\$0.303	\$0.354	\$0.404	\$0.455	\$0.505	\$0.520	\$0.536	\$0.552	\$0.568	\$0.586
Guides	5%	\$0.076	\$0.088	\$0.101	\$0.114	\$0.126	\$0.130	\$0.134	\$0.138	\$0.142	\$0.146
Shuttle	15%	\$0.227	\$0.265	\$0.303	\$0.341	\$0.379	\$0.390	\$0.402	\$0.414	\$0.426	\$0.439
Total Spending Overnight Visitors		\$1.515	\$1.768	\$2.020	\$2.273	\$2.525	\$2.601	\$2.679	\$2.760	\$2.842	\$2.928
TOTAL USERS											
Food & Accommodation		\$1.088	\$1.269	\$1.450	\$1.631	\$1.813	\$1.867	\$1.923	\$1.981	\$2.040	\$2.101
Bike Hire		\$0.344	\$0.402	\$0.459	\$0.516	\$0.574	\$0.591	\$0.609	\$0.627	\$0.646	\$0.665
Guides		\$0.089	\$0.104	\$0.119	\$0.134	\$0.149	\$0.154	\$0.158	\$0.163	\$0.168	\$0.173
Shuttle		\$0.268	\$0.313	\$0.358	\$0.403	\$0.447	\$0.461	\$0.475	\$0.489	\$0.504	\$0.519
Total Spending Users		\$1.790	\$2.088	\$2.386	\$2.685	\$2.983	\$3.072	\$3.165	\$3.259	\$3.357	\$3.458

SOURCE: MCA MODELLING & ESTIMATES, MAY 2020

Economic Impacts of the Epic Adventure Ride

The economic impacts of the trail development are modelled for both the construction phase and the operations phase. The impacts are measured in terms of:

- full time equivalent jobs (FTE)
- the increase in regional income that is generated by trail users and their spending in the region.²⁰

²⁰ Regional income is the total net income generated from the activity and covers wages and salaries of employees and profits of businesses within the region. It includes income generated directly within the business and indirect income, which is generated in other regional businesses (wages and profits) from the multiplier impacts of employee spending on the region. In the modelling of income generated, income tax and GST on spending, are both treated as leakages from the region.

Construction Phase

A significant number of jobs and an increase in regional income will be generated during the construction phase of the project.

The cost estimates in the tables below cover trail construction and other infrastructure. For the economic impact assessment, we have used the higher range estimate. This estimate covers the trail construction costs and an allowance of over \$1 million for planning costs, associated infrastructure, and vegetation offsets.

Table 16. Estimated Total Construction Costs Epic Ride

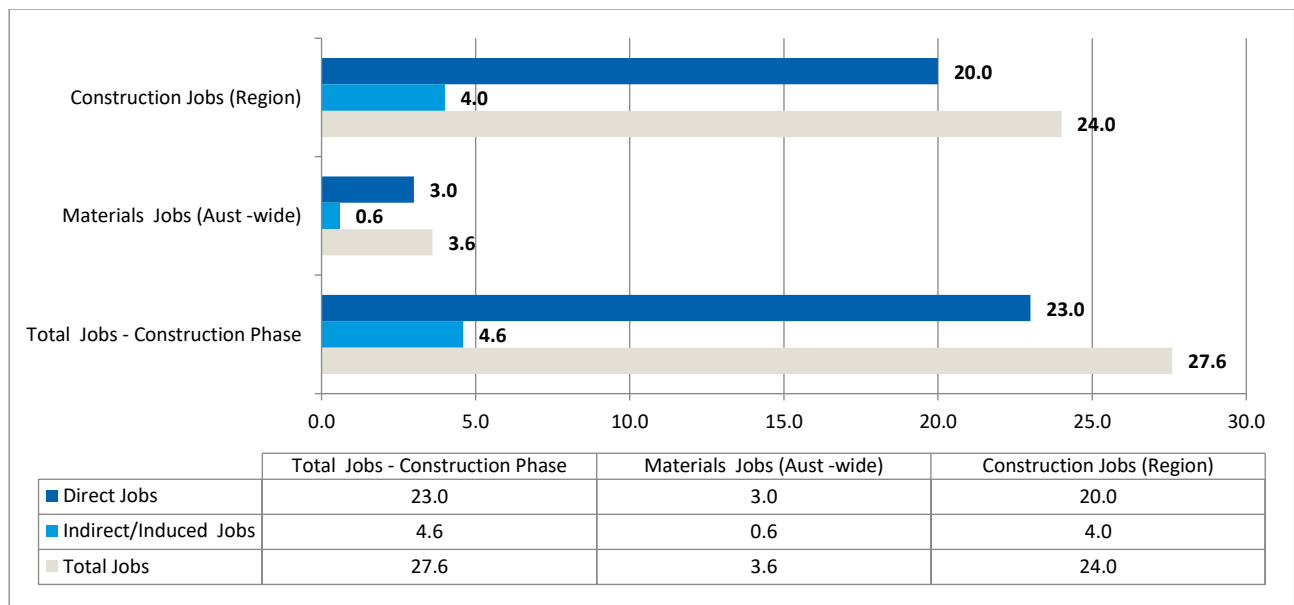
TRAIL CONSTRUCTION	RANGE 1
Trail Construction Costs	\$5,000,000
Trail Signage	\$100,000
Other Infrastructure such as shelters	\$30,000
Total Cost (estimate)	\$5,130,000

Trail Development

A total of 27.6 FTE jobs (23.0 direct jobs and 4.6 indirect/induced jobs) would be generated during the construction period. The direct jobs comprise 20 jobs in on-site construction and 3 jobs in materials/equipment supply.

Table below provides the details which are also shown in Figure 18.

Figure 18. Construction Phase Epic Ride FTWE Jobs (No.)



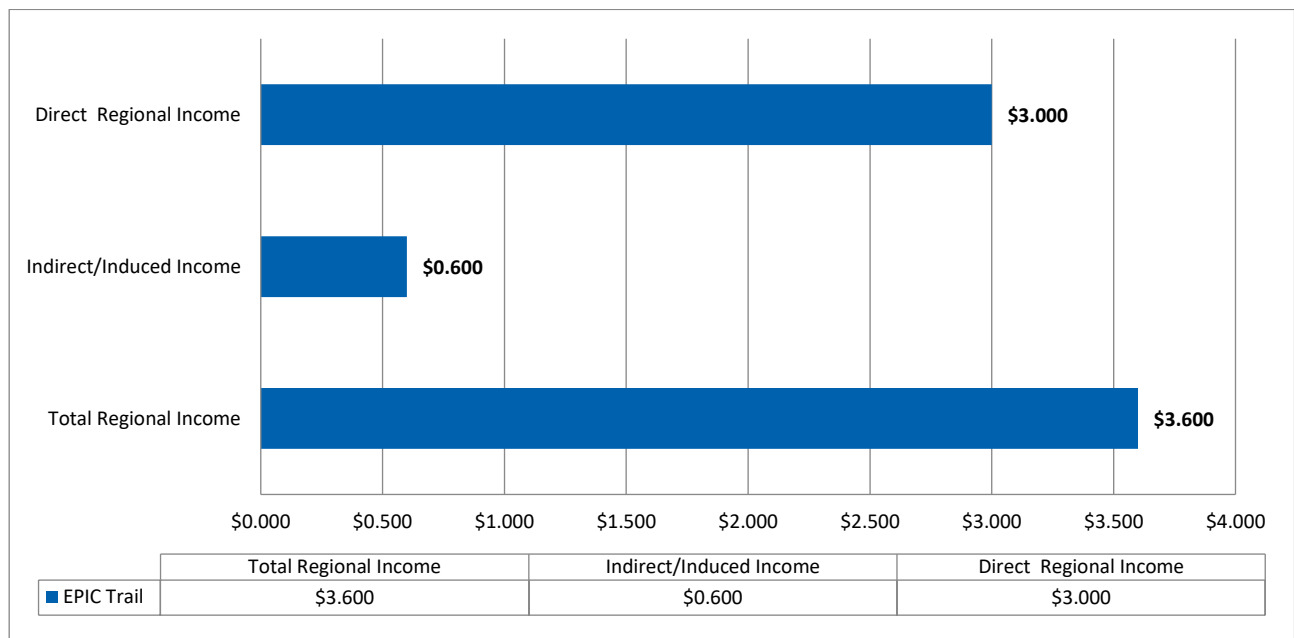
SOURCE: MCA MODELLING & ESTIMATES, MAY 2020

Table 17. Construction Phase Epic Ride Jobs Created (No.)

CONSTRUCTION PHASE FTE JOBS	DIRECT JOBS	INDIRECT/ INDUCED JOBS	TOTAL JOBS
Construction Jobs (Region)	20.0	4.0	24.0
Materials & Equipment Jobs (Aust -wide)	3.0	0.6	3.6
Total Jobs - Construction Phase	23.0	4.6	27.6

SOURCE: MCA MODELLING & ESTIMATES, MAY 2020

The following figure shows the increase in regional income generated during the construction of the trail.²¹ During construction a total of \$3.6 million in regional income would be generated (\$3.0 million direct income and \$0.6 million indirect/induced).

Figure 19. Construction Phase Epic Ride – Increase in Regional Income (\$m 2020 prices)

SOURCE: MCA MODELLING & ESTIMATES, MAY 2020

Operations Phase

The operations phase economic impacts of the trail are driven by the expenditure of visitors/users in towns adjacent to the trail and in the broader region. MCA's regional economic model is used to estimate the employment and income impacts of the trail. The model allocates spending across relevant industry sectors and takes account of the significant shares of the gross spending by visitors/users, which leaks out of the region.²²

²¹ This assumes the construction workforce would come from the Latrobe Region and adjacent areas.

²² The spending by trail users is not the economic impact and does not represent the increase in regional income. There is a major leakage of this spending out of the region due to: the GST (10%); and a significant component of the value of services and products purchased by visitors comes from outside the region (e.g. food ingredients, soft drinks, beer, consumer products bought etc.). The model takes account of these leakages and estimates employment impacts and the increase in regional income.

Employment Impacts

The charts and tables below show the increase in jobs in the region generated by each of the user/visitor groups.

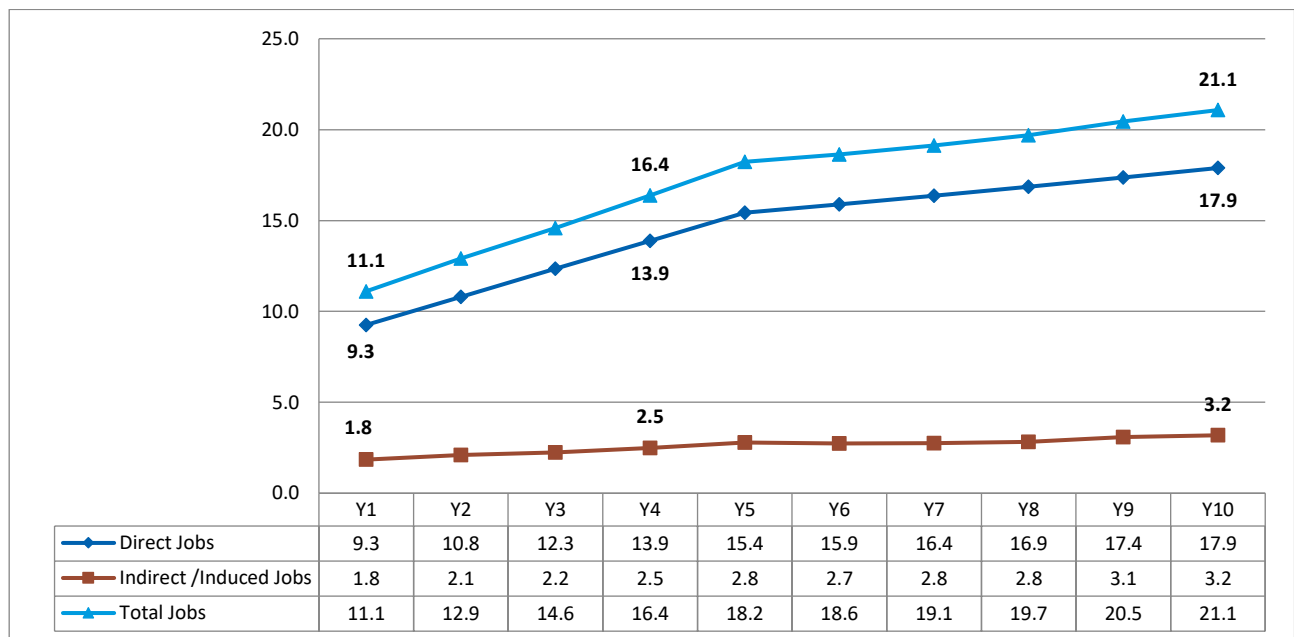
The operation of the trails would generate a total of 9.3 direct_full-time equivalent jobs in year 1, increasing to 17.9 direct FTE jobs in Year 10. Total jobs (direct and indirect/induced) are 11.1 FTE in year 1 increasing to 21.1 in year 10.

Of the total jobs_in year 10, day visitors would account for 3.8 FTE jobs, overnight visitors for 17.3 FTE jobs.

On a sector basis, the jobs (FTE- direct and indirect) generated by trail users are mainly concentrated in:

- accommodation
- food and beverage
- recreational services and other visitor services
- transport (including shuttles)
- other retail.

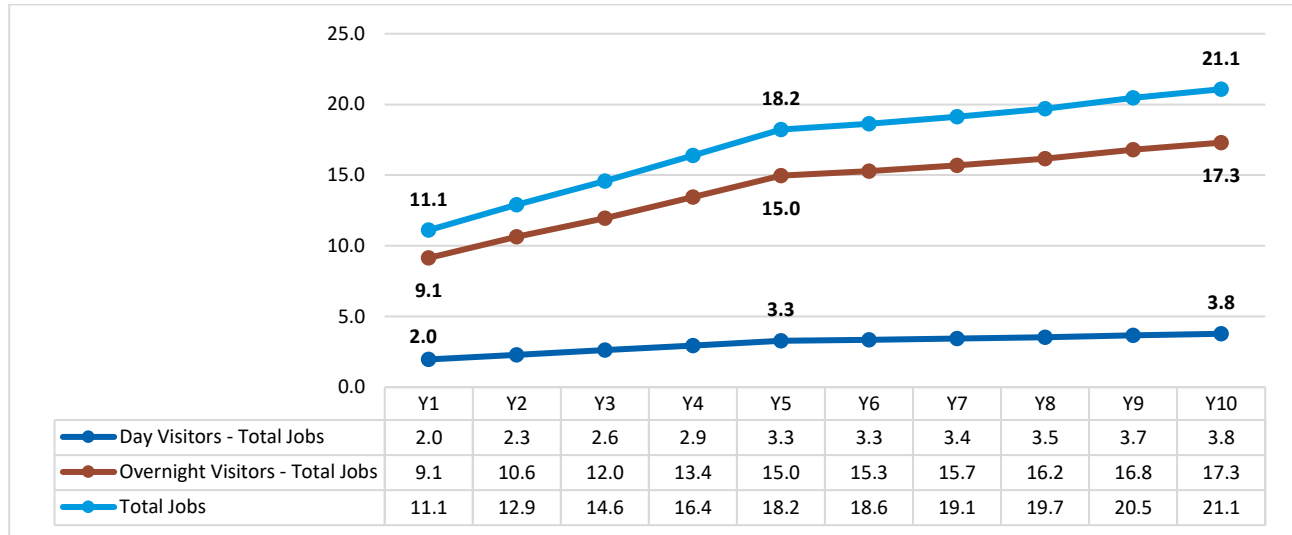
Figure 20. Total Jobs Generated by Epic Ride Operations – Years 1-10 (FTE No.)



SOURCE: MCA MODELLING & ESTIMATES, MAY 2020

Figure 21 shows the jobs generated by visitor type, as opposed to Figure 20 which shows the jobs created directly and indirectly.

Figure 21. Total Jobs in Region Generated by Epic Ride Users (FTE No.)



SOURCE: MCA MODELLING & ESTIMATES, MAY 2020

Table 18 below provides the breakdown of the data by visitor type and divides the jobs created into direct and induced jobs.

Table 18. Jobs Generated by Trail Operations in Years 1-10 (FTE No.)

OPERATIONS: JOBS GENERATED BY TRAIL USERS/VISITORS	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
DAY USERS/VISITORS										
Direct Jobs	1.6	1.9	2.2	2.5	2.7	2.8	2.9	3.0	3.1	3.2
Indirect/Induced Jobs	0.3	0.4	0.4	0.5	0.5	0.5	0.5	0.6	0.6	0.6
Total Jobs	2.0	2.3	2.6	2.9	3.3	3.3	3.4	3.5	3.7	3.8
OVERNIGHT USER/VISITORS										
Direct Jobs	7.6	8.9	10.2	11.4	12.7	13.1	13.5	13.9	14.3	14.7
Indirect/Induced Jobs	1.5	1.7	1.8	2.0	2.2	2.2	2.2	2.3	2.5	2.6
Total Jobs	9.1	10.6	12.0	13.4	15.0	15.3	15.7	16.2	16.8	17.3
TOTAL ALL USERS/VISITORS										
Direct Jobs	9.3	10.8	12.3	13.9	15.4	15.9	16.4	16.9	17.4	17.9
Indirect/Induced Jobs	1.8	2.1	2.2	2.5	2.8	2.7	2.8	2.8	3.1	3.2
Total Jobs	11.1	12.9	14.6	16.4	18.2	18.6	19.1	19.7	20.5	21.1

SOURCE: MCA MODELLING & ESTIMATES, MAY 2020

The development of the trail will see growth of a local MTB service industry. The industry analysis highlights that total full time equivalent (FTE) jobs generated by trail users will be in:

- recreation services/other services (MTB hire, guides, equipment etc.) – 6.3 jobs in year 10
- transport (including shuttles) 2.4 jobs in year 10

- accommodation 4.5 jobs in year 10
- food and beverage 5.0 jobs in year 10.

Table 19 provides a detailed breakdown of the jobs created by industry sector by year.

Table 19. Total Jobs Generated by Trail Users by Industry in Years 1 – 10 (FTE No.)

	Y1	Y2	Y3	Y4	Y5	Y6	Y7	Y8	Y9	Y10
TOTAL ALL JOBS: DIRECT & INDIRECT/INDUCED										
DAY VISITORS/USERS										
Accommodation	0	0	0	0	0	0	0	0	0	0
Food & Beverage	0.5	0.6	0.7	0.8	0.9	0.9	0.9	0.9	1.0	1.0
Recreation Services/Other Services	0.9	1.1	1.2	1.4	1.6	1.6	1.6	1.7	1.7	1.8
Other Retail	0.2	0.3	0.3	0.3	0.4	0.4	0.4	0.4	0.4	0.4
Health	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1
Transportation	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.4	0.4	0.4
Communication	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Education	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Miscellaneous Services	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Total	2.0	2.3	2.6	2.9	3.3	3.3	3.4	3.5	3.7	3.8
OVERNIGHT VISITORS/USERS										
Accommodation	2.3	2.7	3.1	3.5	3.9	4.0	4.1	4.3	4.4	4.5
Food & Beverage	2.1	2.4	2.7	3.1	3.4	3.5	3.6	3.7	3.9	4.0
Recreation Services/Other Services	2.4	2.7	3.1	3.5	3.9	4.0	4.1	4.2	4.3	4.5
Other Retail	0.9	1.0	1.1	1.2	1.4	1.4	1.4	1.5	1.6	1.6
Health	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2
Transportation	1.0	1.2	1.4	1.5	1.7	1.7	1.8	1.8	1.9	2.0
Communication	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1
Education	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Miscellaneous Services	0.2	0.2	0.2	0.3	0.3	0.3	0.3	0.3	0.3	0.3
Total	9.1	10.6	12.0	13.4	15.0	15.3	15.7	16.2	16.8	17.3
Total Visitors/Users										
Accommodation	2.3	2.7	3.1	3.5	3.9	4.0	4.1	4.3	4.4	4.5
Food & Beverage	2.6	3.0	3.4	3.9	4.3	4.4	4.5	4.7	4.8	5.0
Recreation Services/Other Services	3.3	3.8	4.3	4.9	5.4	5.6	5.7	5.9	6.1	6.3
Other Retail	1.1	1.3	1.4	1.6	1.8	1.8	1.8	1.9	2.0	2.0
Health	0.2	0.2	0.2	0.2	0.3	0.2	0.2	0.3	0.3	0.3
Transportation	1.2	1.4	1.6	1.8	2.0	2.1	2.1	2.2	2.3	2.4
Communication	0.0	0.0	0.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Education	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2
Miscellaneous Services	0.2	0.3	0.3	0.3	0.4	0.4	0.4	0.4	0.4	0.4
Total	11.1	12.9	14.6	16.4	18.2	18.6	19.1	19.7	20.5	21.1

SOURCE: MCA MODELLING & ESTIMATES, MAY 2020

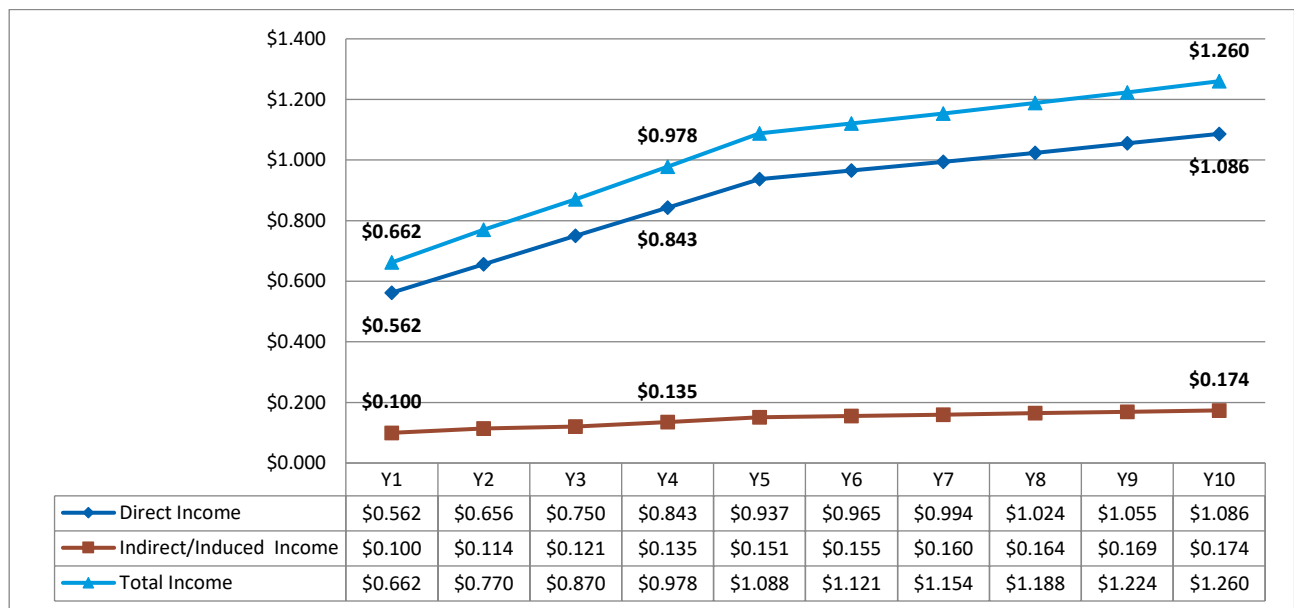
Regional Income Impacts

The increase in regional income generated annually by the operation of the Epic Ride and visitor/user spending totals \$0.662 million in year 1, increasing to \$1.260 million in year 10.²³

The increase in regional income (direct and indirect/induced) generated by day visitors/users (including locals and regional users) is \$0.113 million in year 1 and \$0.218 million in year 10. Overnight users/visitors boost total regional income by \$0.549 million in year 1 and \$1.043 million in year 10.

The results of the regional income increases are shown in Figure 23 (increase by direct and indirect/induced) and Figure 22 (increase by user type).

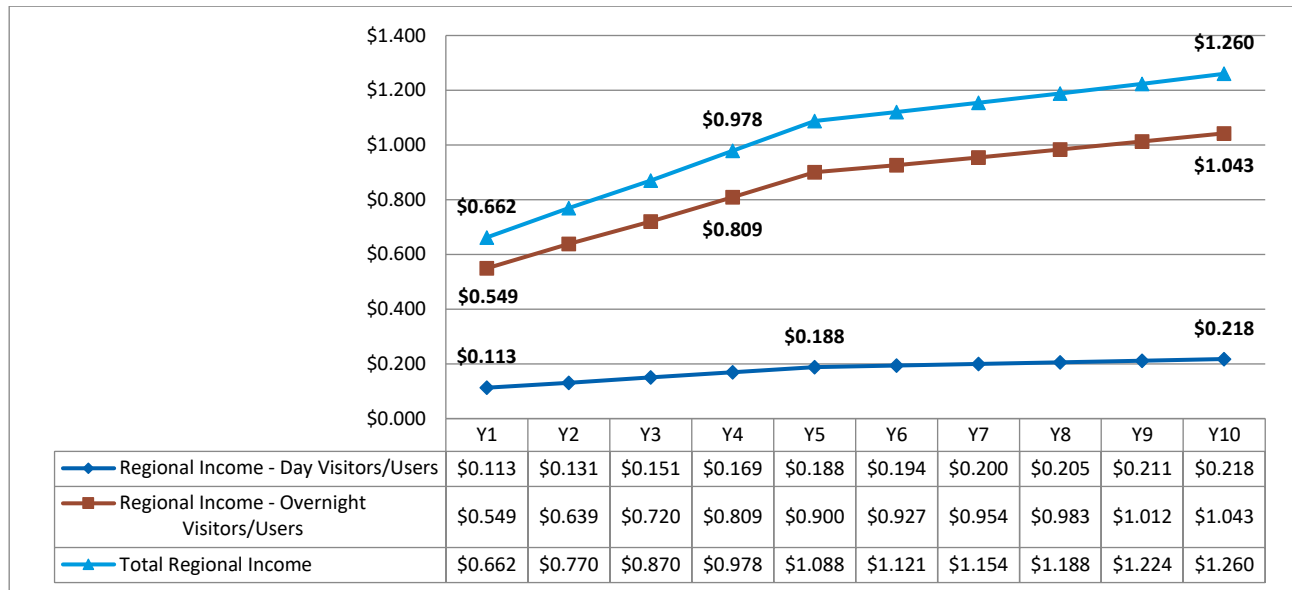
Figure 22. Increase in Regional Income Generated by All Trail Users – Years 1-10 (\$million 2020 prices)



SOURCE: MCA MODELLING & ESTIMATES, MAY 2020

²³ Regional income is the total net income generated from the activity and covers wages and salaries of employees and profits of businesses within the region. It includes income generated directly within the business and indirect income, which is generated in other regional businesses (wages and profits) from the multiplier impacts of employee spending on the region. In the modelling of income generated income tax and GST on spending, are both treated as leakages from the region.

Figure 23. Increase in Total Regional Income Generated by Visitor/User Type – Years 1-10 (\$million 2020 Prices)



SOURCE: MCA MODELLING & ESTIMATES, MAY 2020

Trail Benefits and Costs

The benefits and costs of are analysed for a 10-year period.

Trail Costs

The estimated construction cost of the trail project is \$6.530 million, and the 10-year maintenance costs are \$1.539 million (assumed to be \$153,00 per year over 10 years) for a total 10-year cost of \$8.069million.

Table 20 provides the details of the assumed maintenance costs and build costs for the trail.

Table 20. Total Costs of the Epic Ride Project – 10 Years (constant Prices \$2019)

SUMMARY		TRAIL DEVELOPMENT <\$ 2020PRICES>
CONSTRUCTION COST		
Trail Project Costs (all costs including planning and consultancy fees etc)		\$6,530,000
MAINTENANCE COSTS		
Annual Maintenance Cost (3%) ²⁴		\$153,900
Total Maintenance (10 Years)		\$1,539,000
TOTAL COSTS 10 YEARS		
Total Construction / Maintenance/Depreciation		\$8,069,000

SOURCE: MCA MODELLING & ESTIMATES, MAY 2020

²⁴ Annual maintenance costs are estimated at 3% of construction cost.

Measuring Benefits

The measured benefits of the trail comprise the increase in regional income generated, the health and benefits, and a notional value to users of the trails.

Increase in Regional income

The increase in regional income generated by trail users spending over a 10-year period totals \$10.316 million (in constant \$2020 prices).

Table 21 below shows the increase in regional income generated over 10 years.

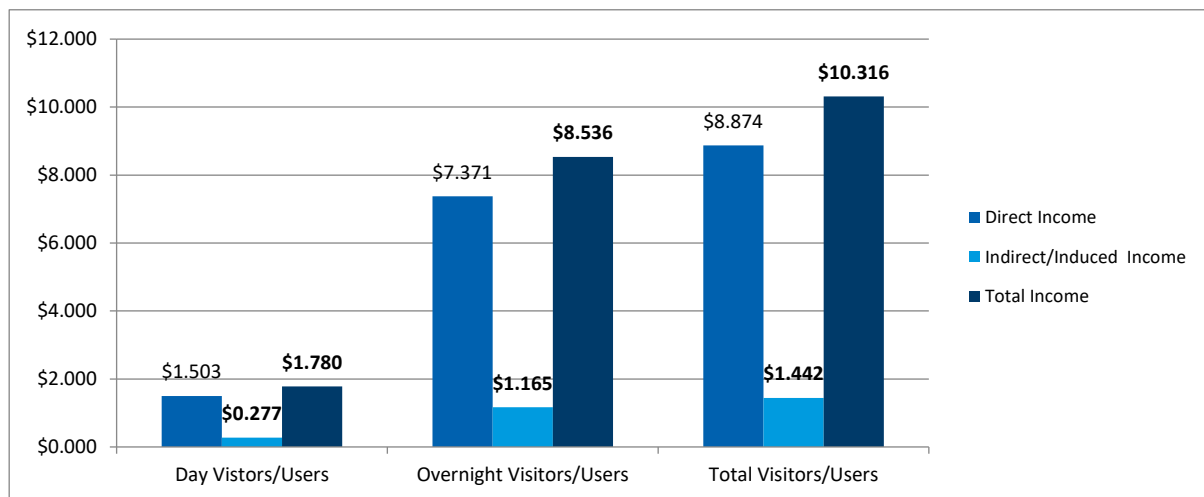
Table 21. Increase in Regional Income Generated by the Epic Ride Users – 10 Year Period (constant 2020 prices)

INCREASE IN REGIONAL INCOME -10 YEARS	DAY VISITORS \$	OVERNIGHT VISITORS \$	TOTAL REGIONAL INCOME \$
Direct Income	\$1,502,917	7,370,727	\$8,873,644
Indirect/Induced Income	\$276,994	1,164,994	\$1,441,988
Total Income	\$1,779,911	8,535,721	\$10,315,632

SOURCE: MCA MODELLING & ESTIMATES, MAY 2020

Figure 24 provides the increase in regional income by trail user type.

Figure 24. Increase in Regional Income Generated by Epic Ride Users – Total 10 Years (\$million Constant 2020 prices)



SOURCE: MCA MODELLING & ESTIMATES, MAY 2020

Health Benefits

A report by Marsden Jacobs Associates indicates that exercise of cycling/active walking in Victorian Parks has net healthcare benefits (in terms of avoided health costs) of \$15 per hour in terms of a reduction in lifetime health costs (adjusted for injury).²⁵

For this analysis we have used a conservative figure of \$10 per hour.

Healthcare benefits are measured as the net (adjusted for injury) avoided costs to the national healthcare system (private costs and government costs) attributable to nature-based outdoor activity.

For the analysis of the trails, we have assumed an average cycle period of 4 hours per day and the health benefits are calculated for Local -Latrobe Economic Region and other regional users.

This indirect health benefit is estimated at \$3.409 million over the 10-year period.

Table 22 shows the estimated health benefits from local and regional use

Table 22. Estimated Health Benefits – Local and Regional Users Years 1-10 (Constant \$2019)

HEALTH BENEFITS (LOCAL – LATROBE ECO REGION & OTHER REGIONAL USERS)	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	TOTAL 10 YEARS
Health Benefits (estimate)	\$216,000	\$252,000	\$288,000	\$324,000	\$360,000	\$370,800	\$381,924	\$393,382	\$405,183	\$417,339	\$3,408,628

SOURCE: MCA MODELLING & ESTIMATES, MAY 2020

Consumer Surplus

There are no charges for the use of the trail. However, a valuation can be placed on the experience based on a shadow price or notional charge (what a person may be willing to pay). For the Epic trail we have assumed it to be \$25 per ride. This benefit measure totals \$7.101 million over 10 years for all trail users.

Table 23 shows the estimated consumer value generated by the trail based on \$25 per ride.

Table 23. Estimated Consumer Value – All Epic Ride Users (Constant Prices \$2019)

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	YEAR 6	YEAR 7	YEAR 8	YEAR 9	YEAR 10	TOTAL
Consumer value (estimate)	\$450,000	\$525,000	\$600,000	\$675,000	\$750,000	\$772,500	\$795,675	\$819,545	\$844,132	\$869,456	\$7,101,307

SOURCE: MCA MODELLING & ESTIMATES, MAY 2020

²⁵ Victoria's Nature-Based Outdoor Economy- Key Estimates and Recommendations, Marsden Jacobs Associates, January 2016 P10 & 21.

Benefit Cost Analysis

The following table and chart show the benefits and costs of the operations of the trail and precinct over a 10-year period. The benefits are measured by:

- the increase in regional income generated by trail users over a 10-year period
- the estimated health benefits
- the user value.

The costs include construction costs, asset maintenance costs and depreciation. For the comparison, the present value of the benefits is calculated using 3 discount rates (4%, 7% and 10%).

Table 24 below shows the benefits and costs analysis for the proposed epic trail.

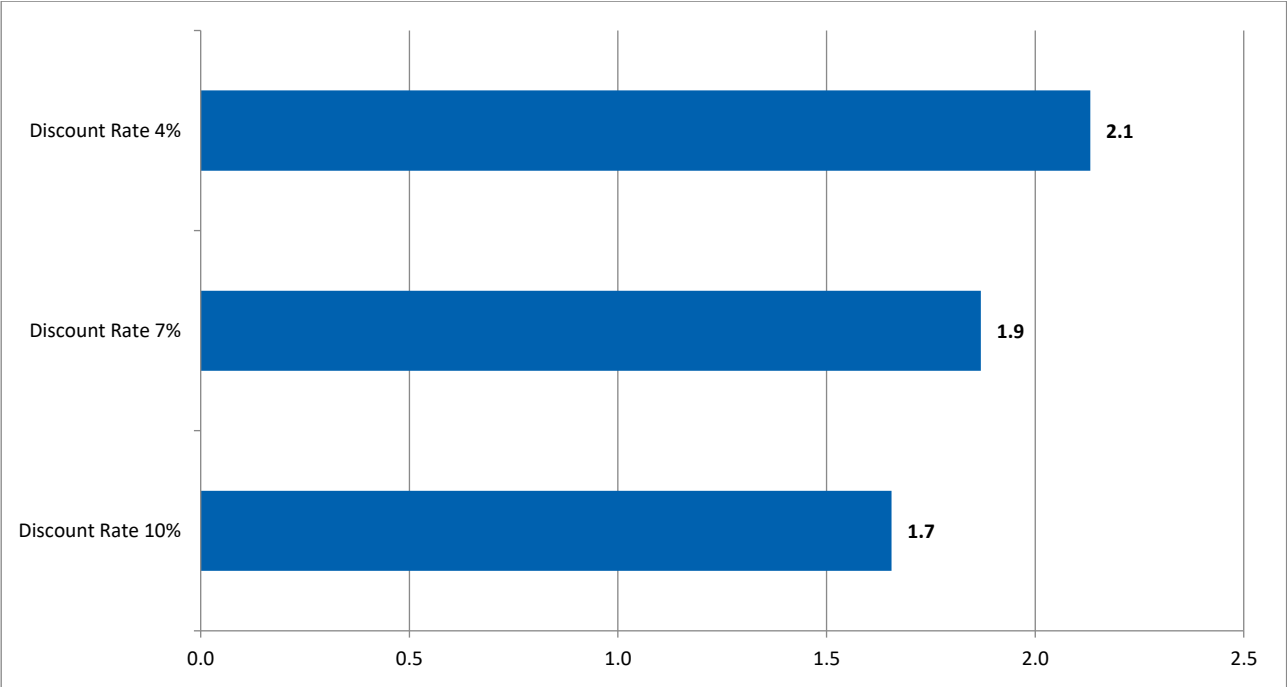
Table 24. Benefits and Costs Analysis – Epic Ride Development. 10 Year Period (Constant Prices \$2020)

TRAIL DEVELOPMENT: 10 YEAR OPERATIONS PERIOD	DISCOUNT RATE 4%	DISCOUNT RATE 7%	DISCOUNT RATE 10%
COSTS (10 YEARS)			
Project Costs (\$) (2019 prices)	\$6,530,000	\$6,530,000	\$6,530,000
Costs - Asset Maintenance (3% per year- 10 years)	\$1,539,000	\$1,539,000	\$1,539,000
Total Project Costs	\$8,069,000	\$8,069,000	\$8,069,000
BENEFITS TO REGION (10 YEARS) -			
Regional Benefits (increase in regional income generated)	\$10,315,632	\$10,315,632	\$10,315,632
Indirect Benefits (health benefits – local – Latrobe Eco Region & other regional users only)	\$3,408,628	\$3,408,628	\$3,408,628
Direct Benefits - User Value (shadow user price)	\$7,101,307	\$7,101,307	\$7,101,307
Total Benefits (2020 Prices)	\$20,825,566	\$20,825,566	\$20,825,566
Total Benefits (\$) Present Value	\$17,202,695	\$15,088,498	\$13,362,378
Net Present Value (\$)	\$9,133,695	\$7,019,498	\$5,293,378
NPV/ Costs	1.1	0.9	0.7
Benefit Cost Ratio (BCR)	2.1	1.9	1.7
<Total Benefits: Present Value/Total Capital Costs>			

SOURCE: MCA MODELLING & ESTIMATES, MAY 2020. NOTE: DIRECT BENEFITS ARE THE VALUE TO USERS OF A FACILITY; USUALLY THIS IS MEASURED BY USER PAYMENTS/FEES. IN THIS CASE THERE ARE NO USER CHARGES FOR THE TRAIL AND A SHADOW PRICE HAS BEEN APPLIED (\$25 PER RIDE) AS A MEASURE OF USER VALUE. THEREFORE, BENEFITS ARE THE INCREASE IN REGIONAL INCOME GENERATED BY VISITOR SPENDING, THE HEALTH BENEFITS OF EXERCISE ACTIVITY AND THE USER VALUE.

Figure 25 below provides the BCR under the three discount rates used in the table above.

Figure 25. Benefit Cost Ratio (BCR) – Epic Ride Development



SOURCE: MCA MODELLING & ESTIMATES, MAY 2020

9 Planning and Environmental Approvals Overview

A wide variety of State policy, legislation, strategy, planning and programs intersect with the development, management, maintenance and planning of trails in Gippsland and Victoria.

The section below provides a summary of both relevant legislation and plans that would contribute to the development of a Baw Baw Epic Adventure Ride.

Legislation

The *Local Government Act 2020* and associated Regulations provide the authority for Local Government in Victoria to operate. It also defines the functions and purposes of local government. Within this context, LGAs can undertake planning, provide services and administer businesses in line with the provisions of other Acts in Victoria.

The *National Parks Act 1975* provides for the management of the State's National Parks and various classes of reserves. The Act and its Regulations prescribe the permitted use and regulation of activity in Parks, ensuring the protection of individual park values while providing for safe and enjoyable use.

The *Forests Act 1958* sets the management framework for the State Forest management in Gippsland. The Act includes firefighting and fire management guidance and for recreation activities as well as commercial management of forests.

The *Crown Land (Reserves) Act 1978* and the *Land Act 1958* provide the legislative framework for the management of Crown Land in Victoria. Specifically, they provide for regulations governing use and the provision to create Committee of Management, relevant to Councils for managing rail trails and other areas of Crown Land for recreation or tourism.

The *Aboriginal Heritage Act 2006* provides for the protection of Aboriginal Heritage sites of significance in Victoria, as well as the establishment of the Victorian Aboriginal Heritage Council to provide a State-wide voice to Aboriginal people and provide advice to the Minister.

Various other Acts and Regulations apply to the running of businesses and use of Crown Lands.

Parks Victoria manages the Commercial Tour Operator Program for all the public land in Victoria in a bid to streamline the administration and regulation of tour operators, and to encourage the appropriate use of public land.

Land Management Plans

National Parks and significant reserves have a plan of management. Many are several years old and may contain policies, actions and provisions that may act to restrict trail-based tourism, while others remain silent on trail development. Relatively new plans exist for the Alpine National Park.

The Gunaikurnai and Victorian Government Joint Management Plan was approved in July 2018. The plan covers the joint management of 10 of Gippsland's important parks and reserves. The plan provides for strategies and actions to deliver the objectives which include management of country and developing appropriate nature-based tourism industries.

Mount Baw Baw Alpine Resort has a variety of plans and strategies aimed at managing the underlying Crown Land and at improving the visitor economy outcomes. It is governed by the Southern Alpine Resort Management Board which contains an economic development function in part aimed at developing 'green season' activity.

DELWP manages the State Forest in Gippsland. A recently published DRAFT *Central Gippsland Public Land Strategy* provides strategic direction for the use and management of Central Gippsland Forests and crown lands. It proposes several 'game changing' projects which align to the hero sites of Gippsland at Mount Baw Baw and Walhalla.

Land Manager Identification

All parcels of land intersected by the proposed alignment would be required to undergo both environmental and cultural heritage assessments. Each would be processed via the relevant land manager with consultation to stakeholders:

LAND MANAGER	TRAIL SECTION
Park Victoria	- Section 1 (potentially): Baw Baw National Park, Resort boundary to intersection of DELWP land at 1000m ASL. - Section 5: small section along banks of Thomson River to Poverty Pt Bridge and Walhalla Historic Area - Section 6: Walhalla Historic Area
DELWP	- Section 1: Tanjil State Forest, Erica State Forest - Section 2: Erica State Forest (including SPZ) - Section 3: Erica State Forest - Section 4: Erica State Forest (including SMZ) - Section 5: Erica State Forest (including SPZ) - Section 6: Boola Boola State Forest - Section 7: Boola Boola State Forest (inclusive SPZ zone) - Section 8: Boola Boola State Forest
Baw Baw Shire Council	- Section 3: Erica Township - Section 4: Erica Township, Rawson Township (including SMZ) - Section 5: Erica township, - Section 6: Happy Go Lucky
Latrobe City Council	Section 8: Glengarry Township and surrounds
Southern Alpine Resort Management	Section 1: Mount Baw Baw Resort

Native Vegetation Offsets

This study only seeks to identify the native vegetation offsets as a potential issue for the development of the trail. For the areas requiring 'new build', vegetation offsets may be required under the State policy on native vegetation removal.

Assuming 57 kilometres of new build trail (see relevant section earlier in this report), and a 1-metre wide corridor for vegetation removal, that equates to 5.7 hectares of vegetation clearance (note this is a rough indicative estimate for the purpose of understanding the native vegetation implications only). This is potentially significant and would need to be worked through carefully in the master planning stage to reduce the vegetation clearance to the absolute minimum.



IMAGE: Somewhere Good MTB park offers extended trail exploration for riders on the Epic Adventure Trail.

10 Governance & Ongoing Management

General Comments

Ongoing collaboration, effective decision making and working together to continue to promote and develop any trail experiences is fundamental to future success. Management of the Baw Baw Epic Adventure Ride will be no different, with the added complexities of the long-distance trail traversing numerous land manager boundaries and two local government areas. This includes the two Local Government Areas, Parks Victoria, DELWP, Mount Baw Baw Alpine Resort. This list excludes private businesses and committees of management operating within the study area.

The trail will also be required to operate in the context of the management of other trail assets within the broader Gippsland region, with some interaction specifically with township communities and other trail infrastructure (such as other mountain bike parks interacting with the alignment but not part of the route).

To take an effective Gippsland-wide view of trail development and management, effective coordination and governance is critical. As described in the Gippsland Tracks and Trails Feasibility Study, a proposed new group aligned to the existing Gippsland leadership forum Gippsland Local Government Network (GLGN) is proposed with a charter to collaborate and recommend development of the trails-based visitor economy in a systematic and planned way taking a regional perspective on the signature and regional trails hierarchy.

The governance of the development of the network is however different to ensuring the successful operation and development of this proposed trail experience. Several governance models have been developed for other like trail products in Victoria, and at the time of preparation of this draft, none have proved to be an 'ideal' model for multi-tenure Crown Land trail products. In part this is due to:

- Differences in legislation and regulation underpinning the management of the various forms of Crown Land (i.e. State Forest, Alpine Resort and National Park)
- Different approaches by various land managers (i.e. Parks Victoria, DELWP and Southern Alpine Resort Management Board)
- Local Government has a different role to that of State Agencies and is managed under a different overarching Act (The Local Government Act).

Adding to the issues raised above, a trail product such as the one proposed in this feasibility study requires several elements to be successful. These include:

- A shared vision and practice along the entire trail, not separate sections operated and established under different standards for trail users
- An ability to raise and retain revenue. Annual maintenance alone is likely to be in the order of \$150,000 to keep the trail in a high standard that both encourages use, prevents environmental damage, and prevents unnecessary injury to riders
- An ability to continue planning the development of the experience as a whole, with the rider front and centre of the experience, while taking into account environmental and cultural values of the land upon which it is constructed and which forms a key part of the experience
- A capacity to market the trail as an experience and to provide whole of trail information to the market in a consistent and targeted way

- A capability to be commercial offering opportunities to not only reduce the ongoing costs of the operation, but to provide added services which contribute to the experience of riders such as food and beverage, accommodation.

Governance Objectives

Defining a set of objectives for strong governance of the trail would include (and may not be limited to) the following:

- Effective trail planning capability
- Clear coordination functions across the land tenures
- People and resources dedicated to management
- Adequate resources for trail operations
- Ongoing funding
- Stakeholder and community partnerships
- Supportive government environment
- Marketing, promotion and experience development skills
- The ability to monitor and evaluate the performance of the trail network against a range of performance measures including environmental.

Governance Options

A clear solution for this trail has not emerged during the investigation phase of this feasibility study, in part due to the underlying land tenure and the differences in the purpose of the reservation, and the different land managers.

The following options are discussed.

Single Agency Management

Table 25. Single Agency Governance Considerations and Options

ATTRIBUTES	STRENGTHS	WEAKNESSES
• One of the existing agencies manages the entire complex. • The agency would need the capability and powers of the legislation and regulations to manage the destination. • DELWP can manage the trail under various provisions of the Forests Act and Crown Lands Reserves Act	• Puts all the necessary skills and capability into one agency that can then make decisions to help make the destination succeed. • Easier decision-making processes • Can establish, depending on the mechanisms by which most of the trail is managed, set fees and lease land etc. • Events etc can be essentially organised/allowed permits under one agency, • Fire management and other land management functions on the land concerned remain vested in the	• The mechanism to get to a single agency manager of the destination is challenging with several options dismissed and some available but outside government policy • While DELWP manages most of the tenure on the trail, Parks Victoria and Southern Alpine Resorts manage the National Park and Alpine Resort respectively • The proposed trail only has a small portion within the Alpine Resort and National Park • Different legislation and policy approaches to Crown Land by the

ATTRIBUTES	STRENGTHS	WEAKNESSES
	control of the agency managing the land currently	managers make this option difficult to implement
A new or special purpose organisation that becomes the single agency manager.	- There are many strengths to this model, including the ability for it to set its own constitution and purpose directly related to the destination. - Assuming the model is an incorporated Association, it must have 5 members, and these can be individuals or representatives of other organisations including the option of developing the Gippsland Mountain Bike Club.	This model is unlikely to be endorsed in the short term by either DLEPW or Parks Victoria as TRC understands that both organisations have concerns about representation on the Association, and exposure to risk of individuals. Without DELWP or Parks Victoria, this model should not be pursued.

MOU or Partnership

Table 26. MOU or Partnership Arrangement Governance Considerations and Options

ATTRIBUTES	STRENGTHS	WEAKNESSES
- Agencies responsible for the destination develop an MOU or similar to guide the development and operation of the destination. - The agreement can be in the form of a non-binding MOU or more formal agreement that may include licensing provisions under various acts and regulations.	- Relatively easy to put in place once the organisations have determined their role and what the function of the MOU is. - A lead agency can take a lead with the agreement of the participating partners on elements such as trail maintenance etc. - Can be used as an initial step in the governance during construction and set up of the destination while the alternative options are negotiated and put in place. - Can involve the users or possible trail manager such as Gippsland Mountain Bike Club.	- MOUs are generally non-binding agreements where parties agree to cooperate around a function or objective. - The powers of the agencies involved in the destination management remain with the agencies – and may result in duplication for things such as event permits etc.

Multiple Agency Management

Table 27. Multiple Agency Management Governance Considerations

ATTRIBUTES	STRENGTHS	WEAKNESSES
- Essentially this is the do nothing and leave the situation as it is option. - This involves each agency (Baw Baw Shire Council, Latrobe City, Parks Victoria, Southern Alpine Resorts, and DELWP) undertaking their existing roles on land they currently manage and keeping their existing powers.	This option is relatively easy to pursue as it leaves agencies in the position that they know and understand. It does not however meet the criteria for effective governance of this ride experience.	- Significant duplication of effort around management of the destination. - No one single entity is accountable for the performance and development of the destination. - May lead to disagreements between agencies management based on differing priorities. - Does not provide a single point of contact for the community of users to work through development or other issues.

Recommended Model

Development of this business case has continued to expose the complexities in Victorian legislation around the potential for governance entities to be developed to cater for multi-tenure, multi-agency management of recreation and mountain biking. This is the case across several business case and trail feasibility studies being undertaken across Victoria. Other examples include the proposed development at Warburton and more recently, but in a lesser way, in Omeo (due to DELWP being the majority manager of the proposed trails and the Shire being willing conceptually to become committee of management for the land in question).

It is understood that a review of the Crown Land Acts is underway within DELWP and the government has asked to consider a discussion paper that may lead to a bill before the conclusion of this term of government. This is welcomed and may prove to provide an answer that is better suited to this proposed development, particularly considering the timeframes for this development and the review of the acts.

There is no clear model emerging from the consultation for the proposed Epic Trail, and a similar experience is likely to be found for the Central Gippsland Mountain Bike Hub (G7).

Given the proposed development of the G7, and the opportunity to continue developing the Gippsland Trail (see separate Feasibility Studies being undertaken in parallel with this study), we believe that there is an opportunity to continue to advocate for a solution within government for a model that bridges the gap between the land managers and land tenures, with a focus on providing trail management services to multi-tenure experiences.

It is recommended that the discussions occur with a specific objective of developing a governance framework within that enables the objectives of the land management legislation to be honoured, at the same time as providing for the opportunities these trail developments (Epic Trail and G7 Hub) present.

It is also noted that DGL are pursuing a business model discussion in relation to potential business establishment and that is due for completion in August 2020,

The initial discussions could be led by DGL, or LVA and include:

- Latrobe Valley Authority
- Destination Gippsland
- Parks Victoria
- DELWP
- Southern Alpine Resort Management
- Latrobe City
- Baw Baw Shire Council
- Wellington Shire Council
- Gippsland MTB Club.

The remaining Gippsland Councils are not directly involved with the management of the two mountain bike trail developments proposed, yet are beneficiaries of the trails being developed, and would also benefit from a model being developed.



IMAGE: Riverside views near Tyres Junction, a potential visitor node for the Baw Baw Epic Adventure Trail

11 Risk Management?

This business case demonstrates the potential benefits the proposed Epic Trail could bring to Gippsland. Coupled with understanding the benefits, it is also important the risks of the project are understood.

Table 28 has been prepared showing some of the higher-level risks and proposed treatments.

Table 28. Risks Evident in Epic Trail Development

RISK	RATING	RESPONSE / TREATMENT PROPOSED
Only Part Funding is Received	High / Moderate	Ensure the construction of the Epic Trail to a high standard that makes the trail experience world class and protects the environmental values of the area. Further funding is applied for in later years of the trail's development. The BCR is considered high enough that the experience is viable should costs increase or funding is not enough to complete the trail network initially. Consider altering the route from some areas where the proposed new trail could be changed to existing trails, while the experience may not be as high on those sections, it may allow the trail to be put in.
Fire or emergency	High	The trail sits in an environment where fire or winter conditions may interrupt visitors or reduce the amenity of the area. Careful thought to emergency management is important from a visitor safety perspective. Fire may impact the area in several ways including devastating large-scale fires such as in 2003. The MTB destination may need to be factored into fire management plans. This may include increased prescribed burning and fire breaks. It is noted that these elements cannot eliminate the risk but have been shown to reduce it in many areas.
Approval for one or more elements of the development is not forthcoming	High	Should one or more elements of the approval process not be forthcoming, the project may be significantly delayed while the issues are resolved. The delays may result in delay of opening all or part of the destination leaving some other investments stranded or delayed. This is considered a high risk for the proposed Epic Trail, as the route traverses some areas thought to be of high environmental value. The next phase of this proposal would be a master plan. It should consider and more definitively set the route and how to minimise disturbance to those values as far as practically possible. The principles of avoidance should be implemented.

RISK	RATING	RESPONSE / TREATMENT PROPOSED
The network is constructed but the visitor numbers are significantly below those forecast	Moderate	The assumptions are thought to be conservative. The trail manager(s) will need to work hard and partner with Mountain Bike Australia and Destination Gippsland on promoting the unique attributes of the network. Events may need to play a greater role. Partnerships with Yarra Ranges Council, and the G7 will be important in setting a 'Destination' approach to the experience development.
Trail maintenance is not sufficient or effective and the trail experience deteriorates	Moderate	Trail maintenance is a critical component of the experience remaining high quality and attracting people to ride the destination. The trail manager(s) will need to take a broader economic benefit into account when considering maintenance expenses. Professional design and construction may limit the annual maintenance costs due to the higher quality build.
Business in Central Gippsland does not respond to the opportunity	Low to Moderate	Services such as bike hire will be important to the success of the network. As Baw Baw Alpine Resort is at the 'top' of the trail, it may need to take on some of the opportunities itself until business invests. Opportunities in other villages and towns including Walhalla, Erica and Rawson, as well as Glengarry will provide for business growth.
Competitor pressure	Low	New mountain bike products are coming onto the market regularly. Pressure from other new entrants drops the interest in visiting the Epic trail. Marketing of Gippsland needs to carefully position the MTB experience of the Epic Trail, the G7 Hub and Omeo as unique offerings.



IMAGE: making use of existing forest trails near South Face Rd, on the alignment between Mt Baw Baw and O'Shea's Mill site.

12 Conclusion

This feasibility study and business case presents the case for developing the proposed Baw Baw Epic Adventure Ride.

Significant opportunity exists to position Gippsland as a mountain bike destination of national and international significance through not only this trail's development, but also the Central Gippsland Mountain Bike Hub (The G7) and the proposed Omeo Mountain Bike Destination (East Gippsland).

The proposed Baw Baw Epic Adventure Ride presents a compelling mountain bike experience and brand that would help position Central Gippsland as a nationally important mountain biking region with a critical mass of high-quality riding propositions. The Epic experience would leverage the general growth in mountain biking and e-MTB participation, encouraging more and longer tourism visitation stays in the Central Gippsland region.

The Epic will also be a catalyst in creating significant commercial opportunities for organised tours and events, food beverage and accommodation further delivering visitation and exposure for the Gippsland region.

Its planning, design, build, maintenance will create opportunities for skills and business development, along with ongoing employment.

Environmental, sustainability and build imposts and issues, especially on upper mountain alignment (Mt Baw Baw to South Face Rd crossing) are likely to be significant and would need to be addressed through a Master Planning approach – the next step in the Epic Trail's development should it be funded for proceeding.

Build time would be considerable and most likely occur over 2 years.

The economic considerations of the proposed trail are strong. The trail offers the following considerations:

- A total build cost estimated at \$6.5 million producing 27.6 EFT jobs during the construction phase of the trail
- An initial job increase regionally once completed of 11 EFT jobs increasing to 21 EFT over a 10-year period, mainly in accommodation, food and beverage and recreation service sectors
- A Benefit Cost Ratio of 1.9 assuming a discount rate of 7%.

Governance and environmental issues remain unresolved. Governance of the trail is critical to its success and there is not one model currently that would seem to fit this trail development. Accordingly, an approach built on discussion and agreement with government is proposed. This approach also sees an opportunity for Gippsland to work constructively with Government and a range of partners to develop the mechanism to allow the trail not only to proceed, but to thrive.

APPENDIX A – AVAILABLE / COMPLIMENTARY EXISTING INFRASTRUCTURE

NODE	ACCOM	TYPE/ CAPACITY	RETAIL	TYPE	PUBLIC TOILETS	FUEL	WATER	TOURISM	OTHER
Baw Baw Resort	✓	Various - self-contained apartments, cabins, traditional lodges, backpacker style accommodation. 22 accommodation options on mountain Total capacity / night: 424 (via online portal bed count)	✓	Village Restaurant/café (1), shop incl. hire bikes (1) <i>*Other venues Alpine Bistro + kiosk not open in green season. Special bookings only</i>	✓	✗	✓	✓	Seasonal bike shuttle; bike hire; Frisbee golf; laser tag; archery; Dingo Resource Centre; events (limited outdoor orientated); ATM; Lockers & Luggage Storage.
O'Shea's Mill (Eastern Tyres Camping Area)	✓	Campsite only, walk in on AAWT. Carpark nearby. Located short distance beyond planned turn off for Epic Ride.	✗	✗	✓	✗	✗	✗	✗
Tyres Junction	✓	Caringal Scout Camp. Bunkhouse, lodges, huts, campsites. 54 beds + 100 camp sites, 4 powered. Total capacity / night: 54 + camp	✗	✗	✓	✗	✓	✓	Abseiling; river; chapel.
Erica	✓	Erica Hotel Motor Inn (capacity 14); Erica Caravan Park (7 Cabins = total capacity 36 + 25 Powered Sites and 25 Unpowered sites); Silvertop Cottages (Capacity 8) ; Mountain Farm Accommodation (capacity 5) ; Last House On Left (capacity 2) Total capacity / night: 65 (via online portal bed count) + camps	✓	Eateries (3): Hotel/Motel bar & bistro, 1914 Café & Bar; General Store; petrol station closed; 1 x empty shop	✓	✗	✓	✓	Bike storage/racks at Caravan Park; Erica-Walhalla Rail Trail; post office

NODE	ACCOM	TYPE/ CAPACITY	RETAIL	TYPE	PUBLIC TOILETS	FUEL	WATER	TOURISM	OTHER
Rawson	✓	Mountain Rivers Caravan Park (capacity 56 + camping 10 sites); Rawson retreat (capacity 6); Ferntree Escape (capacity 6); Rawson Caravan Park (12 cabins, 1 dorm = total capacity 93 + 12 campsites powered) Total capacity / night: 161 + camps (via online portal bed count)	✓	8 shops / 7 closed untenanted; petrol station closed	✓	✗	✓	✓	Pub (Stockyard Bar & Bistro in Caravan Park); BMX Track; Oval (2); Indoor Pool; camping; Bells Stadium Hall; Toilets x 2; RV Dump; Outdoor Education Camp; SES; excellent public space and car parking; school; horse riding tours/ 4WD tours; bushwalking; Crater Lake
Walhalla	✓	Walhalla Creek Cottage (capacity 4); Stringers Cottage (capacity 2); Walhalla Coach House (capacity 8); Mill House (capacity 4); Wild Cherry B&B (capacity 4); The Quarters (capacity 6); Windsor House Golden Lilly (capacity 4); Walhalla Star Hotel (capacity 26); Creek Cottage (capacity 4) Total capacity / night: 62 (via online portal bed count) + camps	✓	Greyhorse Café; Walhalla Corner Store; Kitty's Café; Walhalla Lodge Hotel & Pub; Wally's Pub; Raggedy Jacks (retail);	✓	✗	✓	✓	General (significant) historical interest, museums, mining heritage. North Gardens. Historic Railway. 4WD tours. Ghost tour.
Brunton Bridge	✓	DELWP (Forest Fire Mgt) camp	✗	✗	✓	✗	✗	✗	River swimming
Something Good MTB	✗	Location only	✗	✗	✗	✗	✗	✗	✗
Glengarry	✗	None found online	✓	Glengarry Hotel, Bakery, By Jorg Restaurant, Narkoojee Winery Restaurant, IGA Supermarket, Pharmacy, cake shop,	✓	✗	✓	✓	Gippsland Plains Rail Trail, Glengarry Apex Park, Railway Station (disused), 4x/BMX park, Recreation Oval, Public transport, Post Office, skate park.

APPENDIX B – REFERENCES

EPIC Trail Development Costs, Gippsland MTB Inc estimates, March 2020

Local Government Area Profiles, 2018, Baw Baw LGA, Tourism Research Australia

Local Government Area Profiles, 2017, Latrobe LGA, Tourism Research Australia

Local Government Area Profiles, 2017, Wellington LGA, Tourism Research Australia

Victoria's Nature-Based Outdoor Economy- Key Estimates and Recommendations, Marsden Jacobs Associates, January 2016.

APPENDIX C – TRAIL DIFFICULTY RATING SYSTEM (USER)

	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.

Trail difficulty rating system (land manager)

	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 obstacles. Short sections may exceed these criteria. Frequent encounters are likely with other cyclists, walkers, runners and horse riders.	Likely to be a single trail with moderate gradients, variable surface and obstacles. Dual use or preferred use Optional lines desirable	Likely to be a challenging single trail with steep gradients, variable surface and many obstacles. Single use and direction Optional lines XC, DH or trials	Extremely difficult trails will incorporate very steep gradients, highly variable surface and unavoidable, severe obstacles. Single use and direction Optional lines XC, DH or trials
Trail Width	2100mm plus or minus 900mm	900mm plus or minus 300mm for tread or bridges.	600mm plus or minus 300mm for tread or bridges.	300mm plus or minus 150mm for tread and bridges. Structures can vary.	150mm plus or minus 100mm for tread or bridges. Structures can vary.
Trail Surface	Hardened or smooth.	Mostly firm and stable.	Possible sections of rocky or loose tread.	Variable and challenging.	Widely variable and unpredictable.
Average Trail Grade	Climbs and descents are mostly shallow. Less than 5% average.	Climbs and descents are mostly shallow, but may include some moderately steep sections. 7% or less average.	Mostly moderate gradients but may include steep sections. 10% or less average.	Contains steeper descents or climbs. 20% or less average.	Expect prolonged steep, loose and rocky descents or climbs. 20% or greater average
Maximum Trail Grade	Max 10%	Max 15%	Max 20% or greater	Max 20% or greater	Max 40% or greater
Level of Trail Exposure	Firm and level fall zone to either side of trail corridor	Exposure to either side of trail corridor includes downward slopes of up to 10%	Exposure to either side of trail corridor includes downward slopes of up to 20%	Exposure to either side of trail corridor includes steep downward slopes or freefall	Exposure to either side of trail corridor includes steep downward slopes or freefall
Natural Obstacles and Technical Trail Features (TTFs)	No obstacles.	Unavoidable obstacles to 50mm (2") high, such as logs, roots and rocks. Avoidable, rollable obstacles may be present. Unavoidable bridges 900mm wide. Short sections may exceed criteria.	Unavoidable, rollable obstacles to 200mm (8") high, such as logs, roots and rocks. Avoidable obstacles to 600mm may be present. Unavoidable bridges 600mm wide. Width of deck is half the height. Short sections may exceed criteria.	Unavoidable obstacles to 380mm (15") high, such as logs, roots, rocks, drop-offs or constructed obstacles. Avoidable obstacles to 1200mm may be present. Unavoidable bridges 600mm wide. Width of deck is half the height. Short sections may exceed criteria.	Large, committing and unavoidable obstacles to 380mm (15") high. Avoidable obstacles to 1200mm may be present. Unavoidable bridges 600mm or narrower. Width of bridges is unpredictable. Short sections may exceed criteria.



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