

LatrobeCity Council Submission
Federal Budget
2024/25



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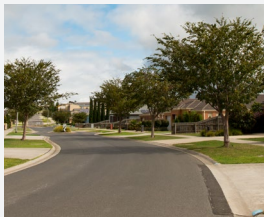
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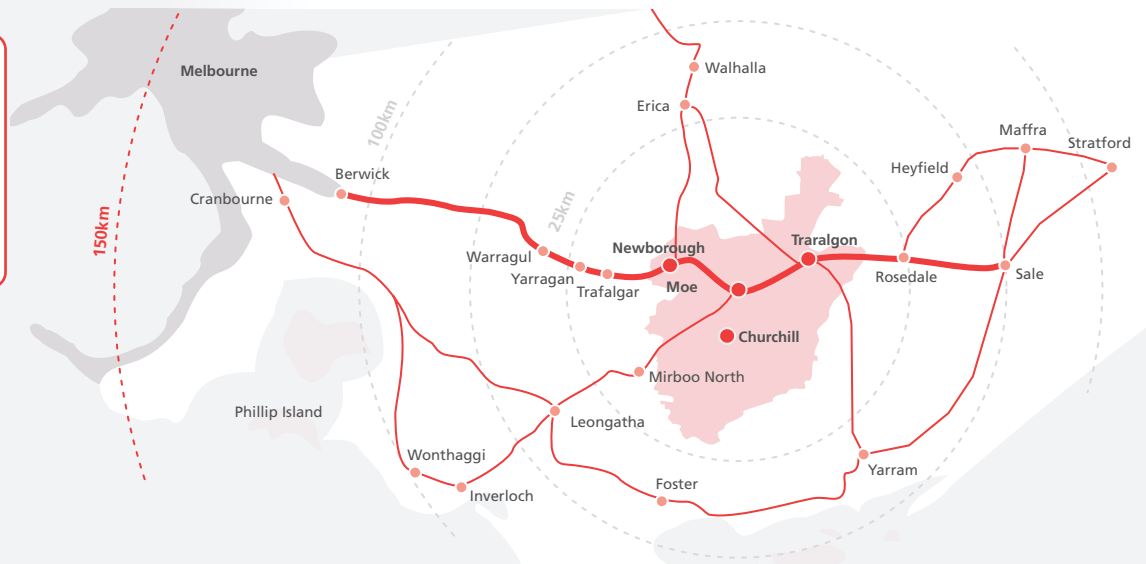
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Latrobe City is one of Victoria's major Regional Cities, located 135 km east of Melbourne, with a population of approximately 75,500. The municipality comprises several major urban centres, is the primary service and cultural centre for the Gippsland region, and hosts regional headquarters for government, private and education entities.

Latrobe City is undergoing a significant economic transition, as it shifts towards a more sustainable and diverse economy.

The region has long been known for its traditional industries, having served as the centre of power generation in Victoria for over 100 years.

The global transition to cleaner sources of energy to address climate change has seen the owner/operators of the region's coal fired power stations and mines announce their closure dates.

The confirmation of these timelines has led to Latrobe City developing 'Our Transition' plan which seeks to build on our strengths and support the region's economic transition and transformation.

The plan supports the equitable diversification of Latrobe City's economic base and transition towards a low emission future through attracting investment, upskilling to meet needs, skilled workforce promotion, understanding future job opportunities, providing business support and promoting Latrobe City.

Latrobe City has 4,442 businesses, employing approximately 32,300 people. With a Gross Regional Product (GRP) is valued at \$5.8 billion, Latrobe City makes a significant contribution to the Victorian economy.

Overall, electricity, gas, water and waste services are the most valuable industries in Latrobe City, yielding over \$3 billion in regional output. Other important industries include manufacturing, construction, rental, hiring and real estate services, and healthcare and social assistance.

We have now reached a critical point in our transition, with the 2028 closure of the Yallourn Power Station and the recently announced early closure of Loy Yang in 2035, combined with increasing priorities of government policy and investment in renewable energy.

While there has been significant government investment in Latrobe City, we recognise that private sector investment is a key element in guiding the future economic growth in our city and will further underpin opportunities to create long-term employment. Our region will continue to evolve as part of this ongoing economic transformation and Council is seeking investment in industries and job creation that contribute to our economic diversification.

Council believes that major infrastructure investment continues to be critical to our economy and is key to progressing the region's potential as a strong, progressive and fast growing Regional City.

Council will continue to work on attracting investment in key industries, including working towards net zero emissions energy generation (renewables), engineering, manufacturing, advanced air mobility, hydrogen, education and health services through the delivery of Council's investment roadmap.

Latrobe City Council welcomes the opportunity to provide its budget submission to the Federal Budget 2024/25. This submission presents Latrobe City's projects that are identified as high priority due to their potential to create jobs, support economic growth and bring about social outcomes.

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LATROBE CITY'S NEW ENERGY FUTURE

Well-positioned to harness opportunities in renewable energy and hydrogen to create:

- New jobs and career pathways
- Local private investment and procurement



FEDERAL BUDGET 24/25 PROPOSAL #1:

LATROBE CITY'S NEW ENERGY FUTURE

Council will collaborate with all levels of government to ensure that the region is a beneficiary of a clean energy economy and well positioned to harness opportunities in hydrogen and renewable energy to create jobs and attract new cutting-edge industry in the region.

Why Latrobe City?

Latrobe City and the broader Gippsland region are at the forefront of the renewable energy transformation. There are several large-scale solar, onshore and offshore wind projects and large-scale batteries in planning or construction phases across the region.

In November 2020, the Victorian Government announced a \$1.6 billion clean energy package through the 2020/21 State Budget to invest in renewables, grid infrastructure, energy efficiency and decarbonisation projects,

including \$540 million to establish six Renewable Energy Zones (REZs), including the Gippsland REZ.

The spare hosting capacity of the Gippsland REZ presents a partnership opportunity to decrease the marginal cost of investing in energy storage and renewable energy projects within Latrobe City.

The Hydrogen Energy Supply Chain (HESC) project in Latrobe City has trialled the production of liquefied hydrogen, from the region's brown coal resource, to be transported to Japan for use in hydrogen fuel cell vehicles and power generation.

Carbon Capture and Storage (CCS) is required to produce low emission hydrogen from brown coal. The Gippsland Basin has the largest carbon storage potential of any east coast basin which is proposed to be developed through the Victorian Government's CarbonNet project and/or the South East Australia carbon capture hub which is under consideration by ExxonMobil.

Employment potential:
300-500 ongoing FTE

Partner with us to achieve

Latrobe City Council is seeking Government support for:

- ✓ Hydrogen pathways and supply chains in the region - both blue and green.
- ✓ HESC project commercialisation in Latrobe City.
- ✓ CarbonNet to proceed, including required funding.
- ✓ Development of new renewable energy generation and transmission infrastructure in Latrobe City.
- ✓ Fast track approvals to realise the \$41bn investment in Off Shore Wind.
- ✓ Ensure policy framework exists to maximise local procurement and job opportunities.
- ✓ Develop in partnership with local government and stakeholders community benefit schemes.

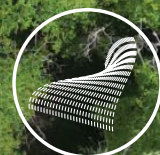
Outcomes and community benefit

- ✓ Establish new energy industries in Latrobe City to support the region's economic transformation and new energy future.
- ✓ Attract alternative and new energy technology research and investment in Latrobe City.
- ✓ Deliver positive outcomes for the Latrobe community through environmental and social benefits, and creation of new jobs and career pathways.

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LATROBE AEROSPACE TECHNOLOGY PRECINCT AT LATROBE REGIONAL AIRPORT

Victorian Centre for Advanced Air Mobility
(AAM) at Latrobe Regional Airport.



FEDERAL BUDGET 24/25 PROPOSAL #2:

LATROBE AEROSPACE TECHNOLOGY PRECINCT AT LATROBE REGIONAL AIRPORT

Latrobe City Council is positioning the Latrobe Regional Airport to be a Victorian Centre for Advanced Air Mobility (AAM). The development of AAM will create new industry and employment at the Airport.

Employment potential:

Total estimated employment is 60+ positions within 1-3 years

Commencement date:

February 2023

Proposed Government investment:

\$1.5 million

To enable development of the Latrobe Aerospace Technology Precinct (LATP), a new taxiway and upgrades to existing taxiways will be required. Infrastructure such as electric charging stations and broadband will also be required.

Employment

The estimated employment for systems developers is up to 30 positions within three years, many of which will be high skills positions. The total estimated employment is 60+ positions within one to three years.

Industry investment

The industry proposals for systems development have estimated an initial investment of approximately \$2 million. Investment by manufacturers/ product developers is unknown at this time.

Our activities to date:

- ✓ Established a dedicated aerospace/ AAM precinct at Latrobe Regional Airport. Named the precinct the Latrobe Aerospace Technology Precinct (LATP). Area includes building and airside access.
- ✓ Working with Invest Victoria – AAM Team to position our precinct as a key focus in Victoria for AAM investment.
- ✓ Discussions with Thales and Nova Systems in relation to systems development at LATP. Both companies have presented proposed systems projects.
- ✓ Discussions with product manufacturers – Airbus, Quickstep, Dronamics, Textron Systems Australia, Wisk re manufacturing/ product development at LATP.
- ✓ Discussions with technology developers and maintenance – Dovetail, Microflite. These companies are looking to retrofit existing aircraft with electric technology and maintenance of Electric Vehicle Take Off and Landing (eVTOL respectively).
- ✓ Partnering with Swinburne University of Technology to conduct tests and trials for electric and hydrogen drones in Latrobe City. Objective is to test, trial and demonstrate to CASA capability of airspace control.

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RESIDENTIAL DEVELOPMENT PRECINCTS

Action existing plans for essential infrastructure at Lake Narracan, Morwell North West and Traralgon North to:

- Unlock Latrobe City's growth
- Respond to land shortage



FEDERAL BUDGET 24/25 PROPOSAL #3:

RESIDENTIAL DEVELOPMENT PRECINCTS

Latrobe City Council calls on the Federal Government to establish an Infrastructure Fund to address the limited capacity and availability of enabling infrastructure and utility services to support industrial, commercial and residential growth.

Commencement date:
Immediate

Proposed Federal Government investment:
\$35 million

Since 2004 Latrobe City Council has undertaken significant urban growth area planning across large and small townships; completing Structure and Development Plans which subsequently enabled 800ha of residential land releases across the municipality in the 2012/2013 financial year.

An additional 600ha of land was later released in 2015 as part of the Lake Narracan Precinct.

Council has been active in the preparation of Development Plans, Development Contribution Plans, Precinct Structure Plans and associated planning permits to ensure land is available for growth and new investment. It is considered that there are sufficient zoned and approved planning permits to address current land supply demands for at least the next 10 to 15 years.

Despite Council undertaking the aforementioned land use planning activities, current and future growth opportunities across key precincts continue to be delayed, and in some instances prevented due to the absence or capacity of critical services (i.e. sewer, gas, electricity, arterial road connections etc.).

The realisation of residential and industry growth opportunities is therefore determined not by market demand, interest or opportunity, rather it is inadvertently being restrained by the capacity or extent of utility services and infrastructure.

It is acknowledged that the requirement for an individual developer or business to fund necessary infrastructure is common and accepted. However, within Latrobe City and many other regional areas there are a number of instances where the cost and benefit of infrastructure extend well beyond any reasonable nexus with an individual development.

Investment in priority utility services and infrastructure is considered paramount to Latrobe City's capacity to grow its economy, employment and population.

The necessary utility services could be most effectively delivered if a rolling Infrastructure Fund was in place, supported by Federal Government funding.

While the Government's financial contribution to the Gippsland Logistics Precinct is a welcome first step, further Government support is needed to enable larger scale residential and industrial investment in Latrobe City across the region's greenfield development sites:

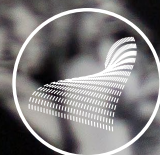
- ① Lake Narracan Precinct Structure Plan.
- ② Traralgon North Development Plan and Development Contribution Plan.
- ③ Morwell North West Development Plan and Development Contribution Plan.

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LATROBE'S EDUCATION AND HEALTH CLINIC

Partner with Latrobe Regional Health
and Federation University to:

- Enhance knowledge capital and employment pool
- Provide convenient access to healthcare
- Support growing healthcare sector



FEDERAL BUDGET 24/25 PROPOSAL #4:

LATROBE'S EDUCATION AND HEALTH CLINIC

Helping education providers such as Federation University and TAFE Gippsland to grow student numbers and match skills with current and future demand is key to Latrobe City's economic transformation.

Proposed State Government investment:
\$9 million

The Latrobe Regional Health and Federation University Partnership – Health and Education Clinic aims to support jobs and education in the region's growing health sector. The Health and Education Clinic, proposed for Latrobe Regional Health, has two core purposes:

- ① To promote convenient access, including out of hours access to primary healthcare services for patients while reducing demand for Emergency Department (ED) services; and
- ② To provide student training and clinical placements for nursing and allied health students to expand the pipeline of local, highly skilled healthcare professionals in the region.

The clinic will have strong links to community-based General Practitioners (GPs) and primary health and mental health services, and will refer patients for ongoing management to community-based primary healthcare services.

The clinic will also have public health nurses to manage testing and vaccinations.

Partner with us to achieve

Latrobe City Council is seeking Government support for:

- ✓ Direct support for Federation University to address skills shortages in the health sector in Latrobe City, including for the \$4.5 million Health and Education Clinic at Latrobe Regional Health.

Outcomes and community benefit

- ✓ Enhance the knowledge capital, employment pool and economic transformation in Latrobe City.
- ✓ Address workforce needs in high demand sectors such as health care.
- ✓ Significant social benefits and career pathways.

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INTER-TOWNSHIP TRAIL NETWORK

Connect all Latrobe City towns via rail trails and shared paths to create:

- An attractive tourism offering
- Enhanced social, economic and wellbeing benefits
- A connected Regional City



FEDERAL BUDGET 24/25 PROPOSAL #5:

LATROBE CITY INTER-TOWNSHIP TRAIL NETWORK

Latrobe City Council calls on the Federal Government to support the Inter-Township Trail Network through \$3 million for planning and detailed design and a \$40 million investment in construction. This project will connect all Latrobe City towns via Rail Trails and Shared Paths presenting an opportunity to generate significant community connectivity, recreational, social, tourism and economic outcomes for the region.

Employment potential:

Construction phase: 25 jobs
Ongoing: 50 jobs

Commencement date:

Immediate

Proposed Federal Government investment:

\$3 million for Planning and Detailed Design; and
\$40 million for Construction

Connected Regional City - Latrobe City Inter-Township Trail Network

This project constructs the following trail connections:

- Boolarra (Grand Ridge Rail Trail) to Yinnar.
- Yinnar to Churchill.
- Churchill to Morwell.
- Morwell to Moe.
- Traralgon CBD to the Gippsland Plains Rail Trail.
- Traralgon to Tyers.
- Traralgon to Traralgon South.

The Latrobe City community is calling for inter-township walking and cycling trails that link our major townships. Council has developed a draft inter-township trails network plan as a preliminary plan to guide strategy development. These trails would provide improved opportunities for various forms of exercise and movement through Latrobe City; enhance health and wellbeing outcomes for the community; improve the physical and sense of place connection within the community and boost the tourism offering and visitation numbers of Latrobe City by linking these main townships to the existing Gippsland Rail Trail and the Grand Ridge Rail Trail. Funding is needed to develop some of the primary routes into deliverable projects.

The Latrobe City community has voiced its collective support for the creation of attractive, well-serviced and connected communities. These are known core drivers for growing community connectedness; a sense of belonging which is essential for good mental health outcomes; and for vitalising social and cultural life in a city.

Community connectivity is an important factor for people considering a move to regional areas when choosing a place to live and work. Liveable cities have attractive neighbourhoods that are accessible, make people feel comfortable and safe, combine a diverse and resilient local economy and have stimulating public spaces that transcend all demographic profiles, encourage outdoor activity and support community cohesion.

Competitive advantages



INVESTMENT READY:

Council has recently completed the Traralgon to Morwell Shared Path and have refined a structured process to ensure success for future major shared path/trail construction projects.



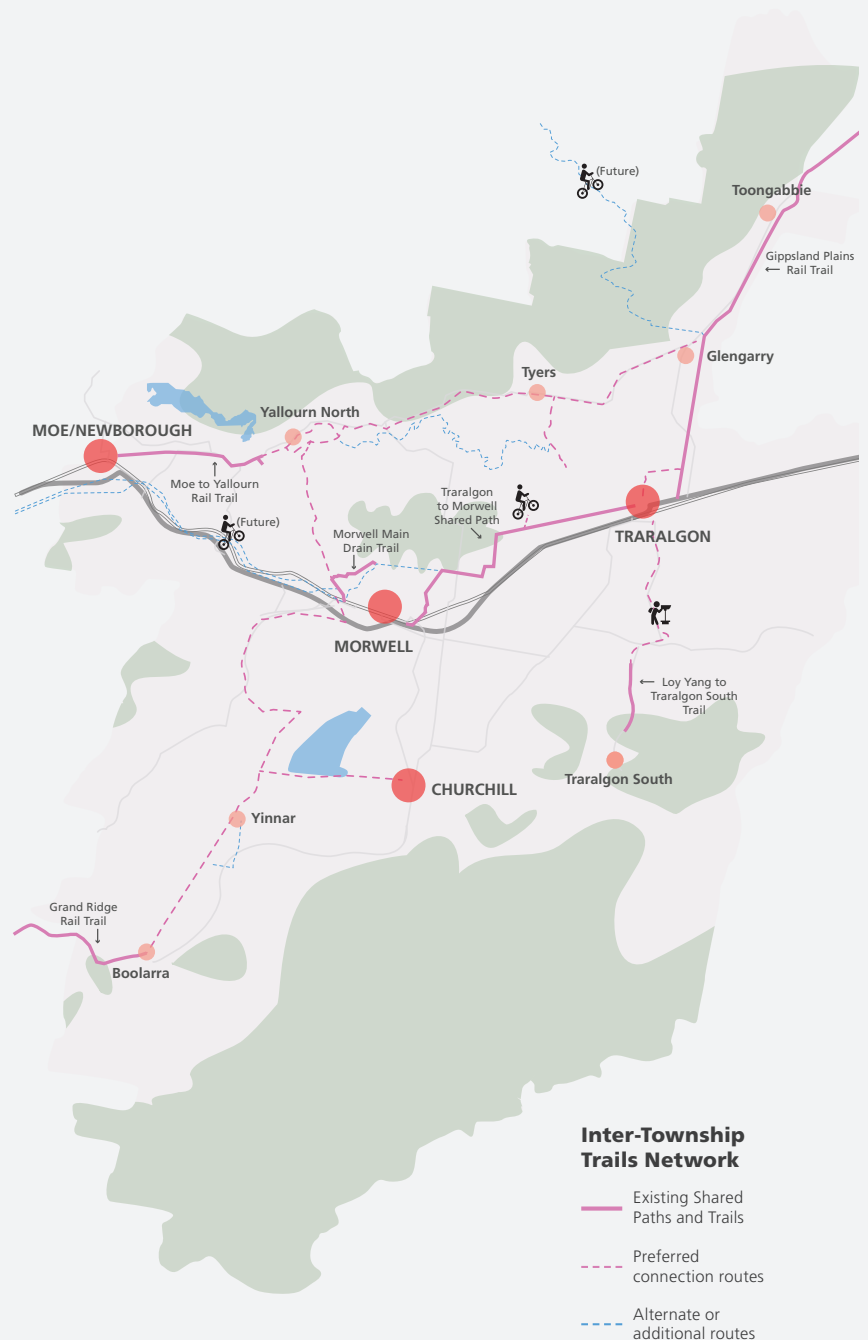
COUNCIL OWNED LAND IN PRIME LOCATION:

The Latrobe City community has voiced its collective support for enhanced liveability and the creation of attractive, well-served and connected communities.



OUTSTANDING COMMUNITY ASSET WITH MANY BENEFITS:

These trails will bring about opportunities for various forms of exercise; enhance health and wellbeing outcomes for the community; improve the physical and sense of place connection within the community, and boost the tourism offering and visitation numbers of Latrobe City.



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FLOOD RECOVERY AND RESILIENCE

Build a multi-use pavilion and community group hub to:

- Recover existing infrastructure
- Create social and community benefits
- Future-proof facilities



FEDERAL BUDGET 24/25 PROPOSAL #6:

FLOOD RECOVERY PROJECT

The 2021 storm and flood event caused major damage to the Traralgon Recreation Reserve. The extent of this disaster was extreme, with several buildings beyond repair. An opportunity exists to develop infrastructure that accommodates flood recovery and mitigates the impact of future flood events.

Employment potential:
Construction phase: 50 jobs (estimate)

Commencement date:
Within 6 months of funding

Proposed Federal Government investment:
\$4.6 million

On 9 and 10 June 2021, parts of Victoria experienced a severe weather event that had widespread flood impacts across Latrobe City.

As a result of the significant floods in Traralgon and surrounds, many buildings and user groups within the Traralgon Recreation Reserve were impacted and require their building to be relocated and/or reconstructed.

Latrobe City Council acknowledges the Victorian Governments

commitment of \$4.75 million towards part of this overall project, as well as the support provided through the Recovery Support Program.

However financial support of an additional \$4.6 million is required to construct a suitable Multi-Use Pavilion capable of supporting multiple sporting groups, as well as to relocate and reconstruct facilities for community user groups.

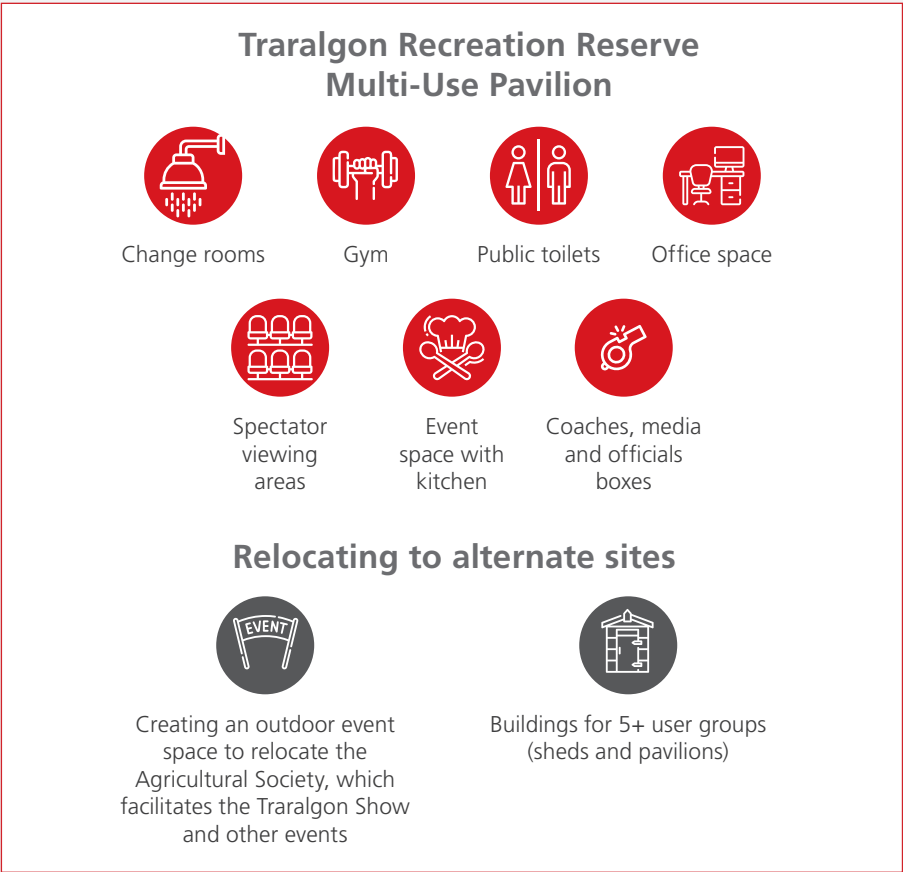
Partner with us to achieve two primary developments:

MULTI-USE PAVILION (\$1.7 MILLION)

Construct a new pavilion within the Recreation Reserve, above flood levels which incorporates facilities suitable for supporting the multiple sporting clubs/groups impacted by the flood.

COMMUNITY HUB (\$2.9 MILLION)

Relocate the community groups, Men's Shed, Agricultural Society, etc, who do not rely on the sporting facilities within the Recreation Reserve by constructing new buildings at alternate locations, within Traralgon, that are not flood affected.





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