Melbourne City Council

Agenda item 7.1

Notice of Motion, Cr Leppert: Queen Victoria Market trader licence fee relief

30 August 2016

Motion

That Council:

1. Notes the amendments made by management to the Queen Victoria Market Precinct Renewal Implementation Framework (attachment 1) as directed by Council at its previous meeting, and endorses the final Implementation Framework as amended;

2. Recognises that the successful implementation of the master plan will require frequent, detailed and genuine discussions between Queen Victoria Market management and traders, and requests a full briefing to Cr Forum setting out the proposed handling of such discussions as well as the status of the Queen Victoria Market Retail Strategy;

3. Endorses in principle the establishment of a compensation fund for the purposes of providing licence fee relief for traders whose income is demonstrably affected by the Queen Victoria Market renewal, and indicates a willingness to forego the annual return to Council from Queen Victoria Market (approx. $4 million per year) during the renewal in order to create such a fund; and

4. Requests management to work with the management of Queen Victoria Market to propose a suitable framework and mechanisms for a compensation fund for market traders.

Moved: **Cr Leppert**

Attachment 1
Agenda item 7.1
Council
30 August 2016

QUEEN VICTORIA MARKET PRECINCT RENEWAL

IMPLEMENTATION FRAMEWORK

QUEEN VICTORIA MARKET

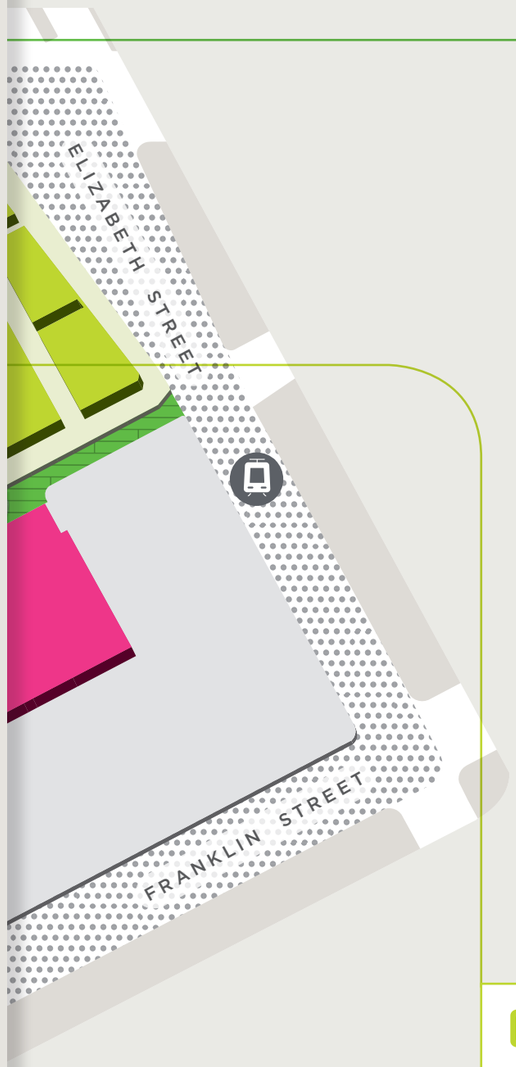
CITY OF MELBOURNE

This Implementation Framework outlines our intended approach for delivery of the Queen Victoria Market Precinct Renewal Program over the next five years. It reflects the key projects outlined in the Master Plan which, following extensive trader and community engagement, was endorsed by Council in July 2015.

We believe this framework takes us in the right direction, but it is by no means prescriptive. We will continue to seek input and involve our traders and customers throughout the renewal program to ensure the best possible outcomes for the market precinct.

As we move into the next stage of detailed planning, we will look for ways to strengthen the renewal program by incorporating and aligning with other key City of Melbourne projects and objectives. This will include reducing the market's environmental footprint, introducing smart technology, exploring opportunities for public art and acknowledging the rich heritage of the site.

We will not forget that the market is the home of small business and has a critical role to play as a key community meeting place.



MARKET CROSS

By investing in below-ground facilities and improved market infrastructure, the market's main public areas can now be devoted to people. Welcoming, flexible and pedestrian-friendly public spaces will surround and connect the market precinct with high quality buildings and the restored market sheds.

The intersection of Queen and Therry Streets will be transformed into the 'Market Cross', an iconic public space that will draw the quarters of the market precinct together, creating a pedestrian-friendly meeting place that can host markets, festivals and busking, as well as greener spaces for sitting, eating and relaxation.

Q1

Victoria's freshest meat, fish and dairy will be showcased in Quarter One, home to the market's iconic produce halls. The halls and lower market will be supported by a new below-ground operational area, with delivery, storage, food preparation and waste management facilities created under sheds H and I. This will ensure this busy area not only operates safely and efficiently, but retains its vibrant atmosphere at street level.

The iconic exterior of the Meat and Fish Hall will be revitalised, with the familiar façade restored. The inside of the Dairy Produce Hall will also be refreshed. Importantly, all works to the existing halls will take place outside of trading hours where possible.

The heritage-listed Elizabeth Street terraces and Victoria Street terraces will receive a facelift, while the Food Court will be enhanced to better connect customers with the Meat and Fish Hall.

Sheds H and I will bring people together to enjoy and sample the market's renowned local food offer and atmosphere. Fresh fruit, vegetable and organics traders will still be there, but we'll add some new food offers and places to sit and enjoy the local produce. This revitalised area will create a link to the provedore offering within the Dairy Produce Hall and offer customers some much-loved market tradition in addition to exciting new experiences.

Deli Lane, currently doubling as a delivery zone and eating area, will become a community meeting place and eating area. With new seating and greenery, Deli Lane will be another place to meet up with friends and family, right throughout the year.

Q4

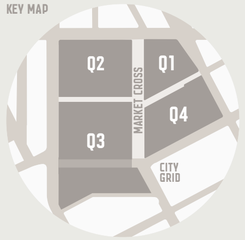
Quarter Four's new mixed-use development, on the former Munro site, will accommodate complementary retail and hospitality, affordable housing, private dwellings, childcare and a family and children's centre. This new development will provide formal recognition of the Munro family legacy, ensuring the important connection of this family to the site it owned for more than 100 years is retained forever. Quarter Four will include new car parking for the market and a new pedestrian laneway or arcade linking Franklin Street to Therry Street.

QUEEN VICTORIA MARKET PRECINCT RENEWAL AT A GLANCE

This section provides a summary of the key renewal projects and how they will restore, renew or reimagine parts of the market precinct.

As we did with the Queen Victoria Market Precinct Renewal Master Plan, the market precinct has been divided into four quarters and two additional areas – the Market Cross and the wider city grid.

KEY MAP



Q2

The market's historic open air sheds, A–D, will be carefully dismantled and restored, before they are returned to where they stand today. Customers and traders will continue to enjoy the open air atmosphere they love, with this historic part of the market revitalised into a fresh food market.

Beneath the fully restored sheds A–D will sit a major new below-ground operational area, separating the market's busy service zones from customers. Traders will receive enhanced amenities in the form of new back-of-house facilities, such as showers, toilets, break-out space, loading areas and storage. Following trader feedback and requests, below-ground customer car parking will also be explored. We will ensure that these works are respectful to this historic section of the market. This includes a commitment that the development of the below-ground market operational area, and any related construction, will not take place within three metres of the Aboriginal section of the former Old Melbourne Cemetery.

Below ground we'll create spaces to support the movement of goods and produce in line with the City of Melbourne's Last Kilometre Freight Plan.

Specialty goods traders will have easy access to the new operational area and will no longer need to set up and pack down each day, greatly improving the efficiency of their business and security of stock stored on site.

The Quarter Two operational area will incorporate a seamless below-ground connection under Queen Street to the Quarter One operational area, ensuring the market can continue to operate outside of hours without disturbing local residents and freeing up some of the market's main public areas for pedestrians.

Sheds E and F will be restored with enhanced weather protection, lighting and other amenity improvements. These enhancements will also incorporate design elements for the acknowledgement and interpretation of the Aboriginal section of the Old Melbourne Cemetery.

The market precinct will reduce its environmental footprint with a strong focus on maximising energy efficiency, reducing waste, and promoting climate resilience. Smart technology will be used to improve market operations.

These improvements will create space for more stalls on the trading floor and allow customers to move more easily and safely around the market.

Enhancement works to Victoria Lane, between the Victoria Street terraces and Shed A, will provide much needed open air seating and greenery, greatly adding to the customer experience.

Q3

The current customer car park will be transformed into 'Market Square' - a 1.5 hectare backyard for all Melburnians to enjoy, including our growing number of inner-city residents.

With a design developed in consideration with the broader community, Market Square will be an important new meeting place in the city's north, playing host to festivals, street markets and community events.

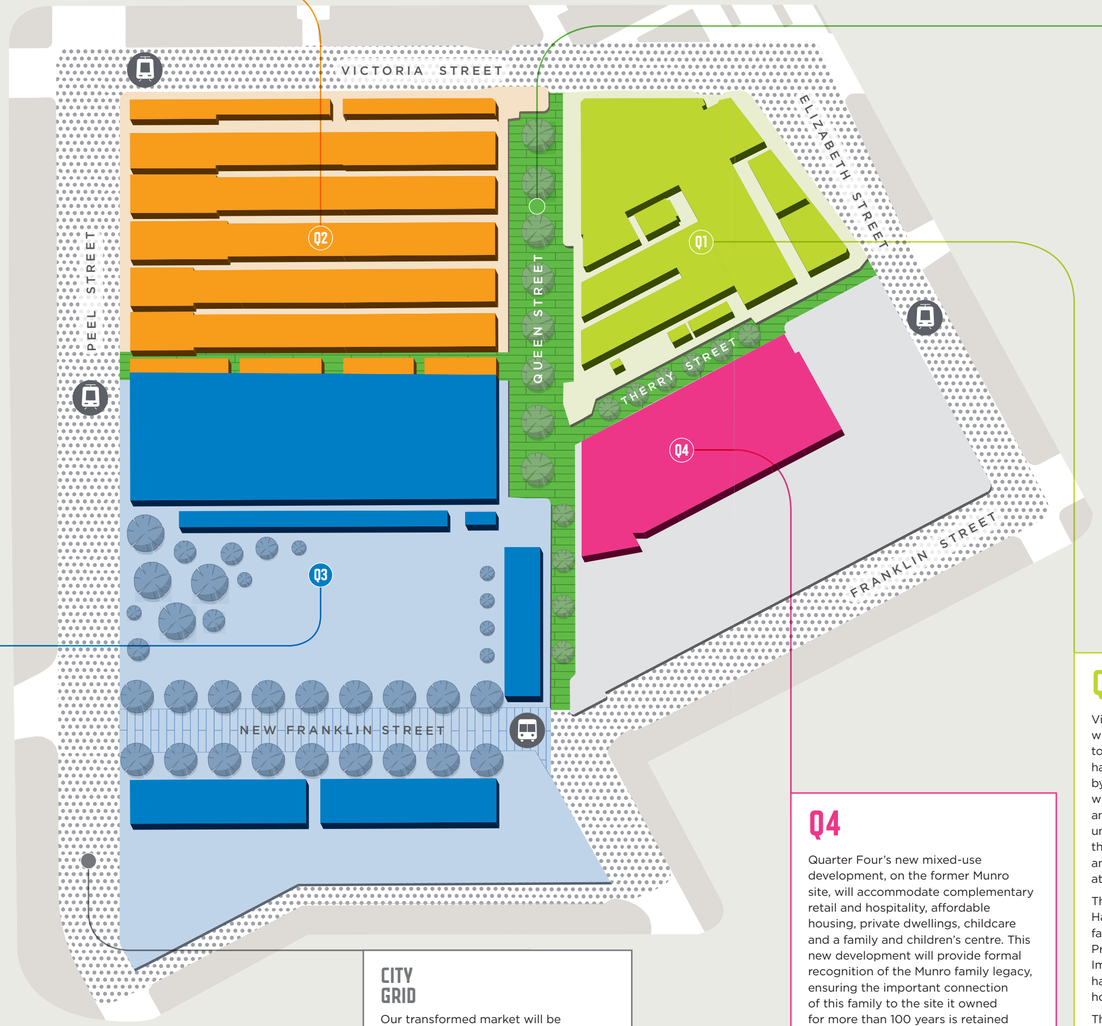
Incorporating interpretive elements such as artworks and landscape features, the new public space will acknowledge the site's significant history. We will minimise potential disturbance of remaining burials in the area of the former cemetery and respectfully manage the site.

The new Queen's Corner building will provide a central information point for visitors and tourists to engage with our market, and showcase Victoria's regional produce and cultural heritage within a proposed visitor centre. The building will be located at the edge of Market Square, providing a contemporary addition to this historic part of the city and a connection between Queen Street and the new public open space.

Sheds J, K, L and M will be upgraded with new infrastructure and facilities, supporting day trading while creating a new destination for a range of events, including the popular night markets.

Realigning and improving Franklin Street will better connect the market to the east and west parts of the city while providing an extension to Market Square during busy events and festivals.

The historic Franklin Street stores will be revitalised and feature a new retail and hospitality offer, opening up onto the new Market Square and ensuring the market precinct retains a genuine connection with these heritage buildings.



MARKET CROSS

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CITY GRID

Our transformed market will be surrounded by great city streets and tree-lined spaces. There will be more room for pedestrians and cyclists and improved access to public transport.

Q4

Quarter Four's new mixed-use development, on the former Munro site, will accommodate complementary retail and hospitality, affordable housing, private dwellings, childcare and a family and children's centre. This new development will provide formal recognition of the Munro family legacy, ensuring the important connection of this family to the site it owned for more than 100 years is retained forever. Quarter Four will include new car parking for the market and a new pedestrian laneway or arcade linking Franklin Street to Therry Street.

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The City of Melbourne respectfully acknowledges the Traditional Owners of the Land. For the Woiwurrung (Wurundjeri), Boonwurrung, Taungurong, Dja Dja Wurrung and the Wathaurung groups who form the Kulin Nation, Melbourne has always been an important meeting place for events of social, educational, sporting and cultural significance. Today we are proud to say that Melbourne is a significant gathering place for all Aboriginal and Torres Strait Islander peoples.

The City of Melbourne respectfully acknowledges that there are sites of cultural heritage sensitivity in and around the Queen Victoria Market Precinct, and recognises the tangible and intangible connection of Aboriginal people to place. These connections include the Aboriginal section of the Old Melbourne Cemetery, as well as the burial site of two Tasmanian Indigenous men, Tunnerminnerwait and Maulboyheenner, the first people to be publically hanged by the Government in the District of Port Phillip, the colony to become known as Melbourne.

FOREWORD

The Queen Victoria Market has remained one of the world's greatest open air markets during its proud and diverse history.

The market holds a special place in the hearts of Melburnians and is one of the most visited tourism attractions in Victoria, which is why we are making the largest investment in Council's history to preserve and renew it.

An independent report by SGS Economics and Planning recently revealed that this major project will produce a net benefit of up to $1.2 billion for the community with an impressive benefit cost ratio of 6:1.

Council has endorsed the master plan for the Queen Victoria Market Precinct Renewal and we are now ready to commence implementation of a project which will have the largest 'reach' in terms of economic uplift and job creation of any project the City of Melbourne has undertaken.

The SGS Economics and Planning Report revealed that the project will create around 12,000 jobs, result in an additional 7000 dwellings and generate around $500 million in real estate construction.

Following an approach from traders concerned about the future viability of the market, the City of Melbourne began an intensive program of community consultation in 2013, seeking feedback and advice from stallholders, customers and visitors.

In 2014 we purchased the Munro site for $76 million which opened up a range of opportunities for the market precinct. The City of Melbourne will work in partnership with a preferred developer to deliver mixed-use development on the site, including community facilities, affordable housing and market car parking.

The formalisation of a land transfer agreement with the Victorian Government was another key milestone and we have also initiated a planning scheme amendment to create more certainty around development for the market precinct.

We have taken the first step towards UNESCO World Heritage Listing by nominating Queen Victoria Market for inclusion on Australia's National Heritage List in 2015.

This Implementation Framework outlines how we will stage the program to minimise business disruption and keep traders open and operating throughout the entire renewal program. We are committed to maintaining an open dialogue with traders and customers throughout the renewal program.

I encourage all Melburnians to continue to visit the market during this exciting period, support their traders and see the revitalisation of this world-class market taking shape.

Robert Doyle
Lord Mayor

We all love the Queen Victoria Market, which is why it is so exciting to provide more details on the plans to renew the precinct to ensure it remains forever a Market for Melbourne.

The market has been central to our city for almost 140 years, but we know our customers and traders want improved facilities to ensure the market remains the destination of choice for future generations of retailers, customers and visitors.

Now is the time to invest and we are very grateful for the funding commitment from the City of Melbourne which has made this renewal possible.

As with any project of this significance, there will be disruptions. However this document outlines how the works will be carefully staged over the next five years to minimise impacts and manage safety across the site.

Crucially the market will remain open for business throughout construction thanks to new temporary on-site markets, where all existing traders can continue to trade. We will also continue to work with and listen to all our stakeholders, including the Trader Advisory Committee, throughout the entire renewal, to ensure customers and visitors are welcomed.

Much of the work will take place below-ground, where we will create new infrastructure for our traders and for our services. During this time some of the open air sheds we all know and love will be carefully dismantled, taken off site and restored. They will then be returned and reinstated, ready for the next 100 years.

We also know car parking is important and this is reflected in the staging. Construction of the new car park on the Munro site will be completed well before work begins on transforming our current car park into a wonderful new open space.

We are confident this renewal will bring exciting new opportunities to the market and that our new market sites will inspire the next generation of market traders and customers, whilst embracing the traditions of our current traders.

Every great city has a great market and the Queen Victoria Market will continue to be that for Melbourne for many generations to come.

Paul Guerra
Queen Victoria Market, Chairman of the Board

2020

WHAT WILL BE HAPPENING IN THE MARKET PRECINCT?

During this time, our attention will turn to works in Quarter One and to creating Market Square, a new public open space on the site of the former customer car park in Quarter Three. Construction of the Queen's Corner building will also commence.

In Quarter One, we'll start construction of the below-ground operational area to support the iconic Meat and Fish Hall, Dairy Produce Hall and the market offer in the lower market. Built under sheds H and I, it will include storage, food preparation areas, cool rooms and waste management, along with trader facilities such as lockers, showers and toilets. To enable these works, remaining fruit and vegetable traders still operating in Sheds H and I, along with other traders in these sheds, will need to relocate to the upper market sheds.

This area will connect to the below-ground facilities in Quarter Two and will also feature upgraded technology and mechanical systems. Solar panels will be installed on the market's roofs supporting market operations and sustainability.

The Elizabeth Street terraces will have an enhanced hospitality offer and will receive some renovation works in keeping with the heritage of the market.

Sheds J, K, L and M will be given a new lease on life, with a new indoor-outdoor events space which combines flexible market trading opportunities with night markets and other festival-style events.

We'll also make a start on the commercial process for the redevelopment of the southern site of the market.

This project involves the development of the southern site including adaptation of the Franklin Street stores following the reconfiguration of land enabled by the Victorian Government Agreement. This new mixed use development will serve to integrate the market precinct with the central city and bring new vibrancy to this growing part of Melbourne.

RENEWAL PROGRAM WORKS IN 2020

1. New market sites trading
2. Construction of Q1 below-ground operational area
3. Elizabeth Street terraces enhancements
4. Construction of Market Square and Queen's Corner building
5. Sheds J, K, L and M enhancements
6. Reconfigure southern site land parcels

WHAT WILL BE HAPPENING BEHIND THE SCENES?

Plan for Dairy Produce Hall, Meat and Fish Hall and Deli Lane enhancements

Progress designs for the Food Court area and Victoria Street terraces enhancements

Prepare to commence a public tender process for the redevelopment of the southern site

2021

WHAT WILL BE HAPPENING IN THE MARKET PRECINCT?

This will be a time of transition as we near the end of construction. It will also signal a new business-as-usual for the renewed market precinct.

In 2021, following the development of the new below-ground facilities in Quarter One, sheds H and I will be revitalised to bring people together to enjoy and sample the market's renowned local food offer. Fruit, vegetable and organic traders will still be there but we'll also add some new food traders and places to sit and enjoy the market's produce. With improved seating, shoppers will be encouraged to stay and sample more of the market offer and hospitality.

Currently a delivery zone, Deli Lane, east of the Dairy Produce Hall, will be reimagined as a full-time community meeting place and outdoor dining area. The Food Court area will also be revitalised to better integrate with the Meat and Fish Hall.

The iconic exterior of the Meat and Fish Hall will receive some attention when we restore the iconic façade and artwork, install new lighting and create more inviting entrances and improved signage for customers.

Market Square is expected to be ready by mid to late 2021, providing 1.5 hectares of public open space in the heart of the city's north.

The construction of our new Queen's Corner building will bring an inspiring piece of architecture into the market precinct. The new building and rejuvenated sheds J, K, L and M are expected to be ready for a full summer season in 2021.

Our new Market Cross area represents the final piece of the market precinct's transformation, connecting the market's quarters and providing a pedestrian-friendly meeting place that can host markets, festivals and busking, as well as greener spaces for sitting, eating and relaxation. The Market Cross is expected to be complete in time for Christmas in 2021.

RENEWAL PROGRAM WORKS IN 2021

1. Enhancement of Food Court and adjoining Victoria Street terraces
2. Construction of Q1 below-ground operational area and transformation of sheds H and I
3. Enhancement of Dairy Produce Hall, Meat and Fish Hall and Deli Lane
4. Construction of Market Square and Queen's Corner building
5. Market Cross
6. Southern site development / Franklin Street stores adaptation
7. Finalise streetscape improvements

WHAT WILL BE HAPPENING BEHIND THE SCENES?

Transition to business as usual for market

Work with returning and new traders to move back into sheds H and I

Develop new programs and activities for Market Square

Develop partnerships to deliver a Victorian visitor centre in the Queen's Corner building

Restore the old cemetery wall including the addition of interpretive elements to enhance awareness of this important part of the market precinct's history

PROJECT TIMELINE

KEY MAP

2015 2016 2017 2018 2019 2020 2021

Queen Victoria Market Precinct Renewal Master Plan endorsed

Queen Victoria Market Precinct Renewal Implementation Framework released

Precinct wide amenity improvements

New market sites

Q1

Below-ground operational area

Elizabeth Street terraces enhancements

Sheds H and I adaptation

Dairy Produce Hall enhancements

Meat and Fish Hall enhancements

Victoria Street terraces enhancements

Food Court integration

Deli Lane dining area

Q2

Below-ground operational area

Removal and restoration of sheds A-D

Victoria Street terraces enhancements

Restoration of sheds E and F

Fresh Food Market

Q3

Market Square

Queen's Corner building

Restoration of sheds J, K, L, M

New Franklin Street

Southern site

Q4

New customer car park

Community facilities

Complementary retail and hospitality offer

Mixed-use development including affordable housing

MARKET CROSS

Market Cross

CITY GRID

Streetscape improvements

DELIVERING THE RENEWAL PROGRAM

VICTORIAN GOVERNMENT AGREEMENT

To support the market renewal program, the Victorian Government and the City of Melbourne have entered into a formal agreement to transfer some Crown land south of the Franklin Street stores to the City of Melbourne.

Freehold land will be created as a result of the land transfer, providing opportunities for mixed-use development to add to the vibrancy and potential of the area. Funds secured through the development of this land will be reinvested into the Queen Victoria Market.

Key development timing obligations:

- Construct new Franklin Street by 2019.
- Enhance and renovate northern upper market sheds to support trading and incorporate new market trading services and facilities by 2019.
- Replace current car spaces within the existing at grade car park elsewhere within the market precinct by 2019.
- Convert the existing car park to a high-quality public space by 2022.
- Upgrade streetscapes adjoining Queen Victoria Market (Elizabeth, Peel, Queen, Therry and Victoria streets) and public transport infrastructure by 2026.
- Construct a new Queen's Corner building within a portion of the Queen Street road reserve for a Victorian visitor centre and new market management facilities by 2026.
- Reconfigure land parcels, including the retained Franklin Street stores and portions of the Franklin Street road reserve to create mixed-use development sites by 2026.

PROJECT GOVERNANCE

As owners of the Queen Victoria Market, the City of Melbourne will have oversight and responsibility for the suite of projects to renew the market. Day-to-day operation of the market will continue to be managed by Queen Victoria Market Pty Ltd.

OUR PROGRAM TEAM

We have put in place a program team that combines dedicated people from City of Melbourne and Queen Victoria Market's management that will work together for the duration of the renewal program to realise our vision. Guided by our Program Director, the renewal team is overseen by our Program Control Group, who ultimately report to Council to safeguard the future of Queen Victoria Market on behalf of the people of Melbourne.

PROGRAM FUNDING

The City of Melbourne has made a commitment to spend up to $250 million to deliver the Queen Victoria Market Precinct Renewal (QVMPR) Program. The Queen Victoria Market (QVM) Program Reserve has been established as a dedicated fund to provide a transparent vehicle for administration of the QVMPR Program. Funds to be used solely for the capital redevelopment of renewal works are transferred into the QVM Program Reserve annually, or periodically, as approved by Council. Quarterly reports are presented to Council on the performance of the fund and the QVM Program Reserve is audited as part of the City of Melbourne's financial statements on an annual basis by the Victorian Auditor General's Office.

HOW TO KEEP INFORMED

For traders, market stall holders and service providers who want to know more, please contact QVM on **9320 5822** or via the email address below.

For general information on the renewal, or to sign up for our Queen Victoria Market Precinct Renewal newsletter, visit **melbourne.vic.gov.au/queenvictoriamarket**

Customers wanting more information on the renewal program can visit the information hub located at 452 Queen Street, right in the heart of the market precinct. Information sessions and drop-in times for the hub are listed on the website.

You can also follow the City of Melbourne on social media or call **9658 9658** for more information.

Any questions or feedback can be sent to **qvmrenewal@melbourne.vic.gov.au**

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