

## Queen Victoria Market Precinct Renewal (QVMPR) Program Reserve Quarterly Report

Council

Presenter: Joanne Wandel, QVMPR Program Director

25 September 2018

### Purpose and background

1. The purpose of this report is to provide a progress update to Council on the Queen Victoria Market Precinct Renewal (QVMPR) Program Reserve for the period ending 31 August 2018.

### Key issues

2. Total QVMPR funding approved since the establishment of the fund in December 2015 is \$72.921 million. With total QVMPR Program expenditure to date at \$18.525 million, the reserve at 31 August 2018 is \$54.396 million. Refer Attachment 2 for full financial summary.
3. The key project elements delivered by the QVMPR Program from the period June 2018 to August 2018 include:
  - 3.1. Site preparation works, including services relocation and decommissioning, have commenced on the Munro site following approval by the Minister for Planning in May 2018 of PDG Corporation's Pty Ltd Stage 1 Development Plan and Planning Permit. The development will incorporate \$70 million worth of community facilities for City North, with the population of this precinct predicted to increase by 22,000 within the next 20 years. The community facilities include 56 affordable housing units, a 120 place childcare facility, integrated family services, community centre and kitchen, city room gallery and complementary retail. The City of Melbourne will also relocate 500 car parking spaces under the Munro development from the existing asphalt customer car park in Franklin Street. The construction zone will be established shortly.
  - 3.2. On 22 July 2018 the Queen Victoria Market was announced as having been successfully registered on the National Heritage List. The listing was informed by two national heritage values:
    - 3.2.1. For the ability of the Queen Victoria Market to demonstrate the principal characteristics of a 19th century metropolitan produce market and the role of these markets in supporting the sustainability of cities and their populations in the area.
    - 3.2.2. The potential to provide information on the early population of Melbourne through the archaeological deposits of the Old Melbourne Cemetery, including the potential it offers for study into matters such as the diet, lifestyle, wealth, and burial customs of early Melbourne society.
  - 3.3. On 7 August 2018 the Future Melbourne Committee resolved to undertake a deliberative engagement approach, in the form of a People's Panel, for working with heritage representatives, traders, customers, community members, and other key stakeholders on options for the provision of market infrastructure and car parking.
  - 3.4. The Small Business Mentoring Service continues to provide business planning, advice and mentoring to all market traders as part of the broader Trader Connect Program.
  - 3.5. As part of the expansion of the existing City of Melbourne visitor services network, fabrication of a new purpose built Visitor Hub for String Bean Alley has progressed off site. City Ambassadors continue to provide assistance to visitors at the market and will be based at the new hub following its installation in September 2018.
  - 3.6. The delivery of precinct enhancement works including a weather protection trial in J Shed, Queen Street toilet upgrade and greening in the laneway between Shed A and Victoria Street shops and more broadly across the market.

### Recommendation from management

4. That Council accepts the Queen Victoria Market Renewal Program Reserve report as at 31 August 2018 which shows a reserve balance of \$54.396 million.

### Attachments:

1. Supporting Attachment (page 2 of 3)
2. Queen Victoria Market Precinct Renewal (QVMPR) Program Financial Summary (page 3 of 3)

**Supporting Attachment**

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**Legal**

1. Whilst no direct legal issues arise from the recommendation from management, legal advice has and will continue to be provided on all aspects of the QVMPR Program.

**Finance**

2. Financial implications applicable to the QVMPR Program are contained in the body of this report.

**Conflict of interest**

3. No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a direct or indirect interest in relation to the matter of the report.

**Stakeholder consultation**

4. Internal consultation with relevant branches of Council has been undertaken in the preparation of this report.

**Environmental sustainability**

5. Delivery of the QVMPR Program will allow for the development of a sustainable Queen Victoria Market which is guided by a Precinct Sustainability Plan, rated through the use of the Green Star – Communities tool and which delivers on the six sustainability principles detailed in the QVMPR Masterplan.

Queen Victoria Market Precinct Renewal (QVMPR) Program Reserve Summary

Item	Authorisation for inclusion in QPR	QVM Renewal Project Funding (\$m)
2013-14 Underlying Surplus	Council resolution (29 April 2014)	1.200
2014-15 Annual Plan and Budget allocation	Council adopted budget (24 June 2014)	0.500
2014-15 Gains from the sale of surplus or redundant land holdings.	Council resolution (29 April 2014)	1.477
2014-15 Once off contribution from higher than budgeted underlying surplus	Council resolution (25 August 2015)	8.000
2015-16 Annual Plan and Budget allocation	Council adopted budget (30 June 2015)	4.635
2016-17 Gains from the sale of the City Square Car park	Council resolution (29 April 2014)	30.625
2016-17 Once-off contribution from higher than budgeted underlying Surplus	Council resolution (25 August 2015)	0.889
2017-18 Annual plan and Budget allocation	Council adopted budget (30 June 2017)	28.161
Less 2017-18 Annual plan and Budget allocation unspent		-22.351
2018-19 Annual plan and budget allocation	Council adopted budget (30 June 2018)	19.785
Total funding approved to date*		72.921

  

Item	QVM Renewal Project Expenditure (\$m)
2014-15 QVM Renewal expenditure to 30 June 2015	-2.306
2015-16 QVM Renewal expenditure to 30 June 2016	-4.262
2016-17 QVM Renewal expenditure to 30 June 2017	-5.350
2017-18 QVM Renewal expenditure to 30 June 2018	-5.810
2018-19 QVM Renewal expenditure to 31 August 2018	-0.797
Total expenditure to date*	-18.525

  

<b>Remaining reserve balance as at 31 August 2018*excluding the Munro site</b>	<b>54.396</b>
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Queen Victoria Market Precinct Renewal (QVMPR) Program Expenditure at 31 August 2018

Area	Business Case Budget (\$m)	Program Total Expenditure (\$m)	FY 18/19 YTD Expenditure (\$m)
Transitional accommodation (New Market Pavilion) & Precinct Enhancements	6.801	1.947	.531
QUARTER 1	43.528	.018	.003
QUARTER 2	107.913	2.265	.081
QUARTER 3	83.669	.135	.01
QUARTER 4	39.750	.469	.01
Utilities and contaminated soil removal	6.393	.668	.016
Program delivery	20.710	13.023	.146
<b>GROSS TOTAL</b>	<b>308.764</b>	<b>18.525</b>	<b>.797</b>
Revenue from asset sales	(70.000)	-	-
<b>NET TOTAL</b>	<b>238.764</b>	<b>18.525</b>	<b>.797</b>