



MELBOURNE'S MARKETPLACE RETAIL PLAN

May 2017



CONTENTS

Section 1 - Marketplace Strategy

Executive Summary	4
Business Model	14

Section 2 - Marketplace Retail Plan

Retail Plan Overview	28
Marketplace Core Concepts	34
Quarter 1 Retail Plan	35
Quarter 2 Retail Plan	37
Quarter 3 Retail Plan	40
Quarter 4 Retail Plan	42

About this Plan

Melbourne's Marketplace is the Retail Plan that will guide the future direction of trading at Queen Victoria Market. It outlines the retail formats and opportunities that will come together to protect the market's traditional core trading offer and retain its essence while providing a more diverse offer.

Queen Victoria Market Pty Ltd 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.

Queen Victoria Market Pty Ltd 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, Tunnerminnerwaite 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.

SECTION 1 · MARKETPLACE STRATEGY

MELBOURNE'S MARKETPLACE

Executive summary

Queen Victoria Market is one of the world's most significant public marketplaces.

At seven hectares it is Australia's largest retail marketplace. Home to more than seven hundred independently owned businesses, the Queen Victoria Market boasts the highest concentration of small business anywhere in the country.

Continuously trading since its official opening in 1878, Queen Victoria Market is the longest surviving marketplace of its scale and diversity in Australia. Its community of market traders, affordability and diverse retail offer has serviced a loyal customer base for generations.

Today, Queen Victoria Market's evolving offer of authentic markets, hospitality, events and activities ensures its ongoing relevance as a launching pad for new business and a centre for the community.

Melbourne's Marketplace is the Retail Plan that will guide the future direction of trading at Queen Victoria Market. It outlines the retail formats and opportunities

that will come together to protect the market's traditional core trading offer and retain its essence while providing a more diverse offer. Greater diversity will allow this Melbourne icon to cater to the needs of more people, more often by developing a broader range of ways to participate in the marketplace, bringing activity to the area throughout the week and ensuring the traditions of market trading continue.

The world of retail is rapidly changing. The investment in Queen Victoria Market's infrastructure afforded by the renewal program will provide the market's many hundreds of small businesses access to the facilities, systems and technology they need to stay competitive and respond to their customers needs. For many market traders, their traditional customer base has transformed. New opportunities have opened up in the supply of city businesses, and this Retail Plan identifies how this change to the market's retail customer base will provide the foundation for the market's long term viability, as a working market by providing market traders with the ability to operate at a scale and efficiency required to meet diverse customer needs.

The most significant aspect of this Retail Plan is its sound financial base. By optimising the marketplace's retail environment and adopting a flexible approach to infrastructure, this Plan demonstrates that Queen Victoria Market's return on investment to the City of Melbourne can be achieved without increases in trader license fees above standard CPI growth. This strategy itself is crucial to the long term viability of the marketplace, and will ensure it continues a long tradition of providing a pathway to enter business for small business.

The retail plan's increased flexibility in trading options not only continues the market's support for new business, it provides additional ways to recognise traders with significant investment in and commitment to Queen Victoria Market in the form of extended tenure terms for leases and licences and other security for the future.

Highlights:

Security and affordability for traditional traders with rents and licence fees to remain stable, and standard increases informed by CPI growth

Lease, licences and commercial opportunities reserved for independent businesses and sole traders

Seven day a week activation of 7plus hectare precinct

Annual visitation forecast of over 17million

New pathways for Melbourne's small independent local business with increased capacity and trading options

Expanded offer for retail and business customers

21st century marketplace logistics and infrastructure in 19th-20th century heritage market buildings and sheds

Community programming to host of public spaces: new Market Square, Market Cross and Queen Street Plaza

MELBOURNE'S MARKETPLACE

About this plan

Melbourne's Marketplace Retail Plan identifies the future retail, uses and functions that will position Queen Victoria Market to realise the vision of the market renewal program and secure a long term future for Melbourne's most significant marketplace.

The Retail Plan describes the multiple ways in which the investment in market infrastructure and public realm will enable the optimisation of the marketplace's trading areas, and quantifies, at a high level, the potential for increased revenue required to justify the financial investment in the precinct and support the funding strategy.

It also provides the basis for the development of a more detailed benefits realisation plan to ensure the full range of economic, social and environmental benefits identified in the Business Case and Strategic Directions are delivered through the realisation of the Melbourne's Marketplace vision.

The Plan has been prepared to:

- Inform the revenue projections, funding strategy and budget for the Queen Victoria Market Precinct Renewal Program.
 - Establish the retail direction for key trading areas within the precinct.
 - Aid in the decision making process relating to future management responsibilities for the marketplace by establishing the operating costs associated with key functional areas alongside the potential revenue to be derived from leases and licensing income, events and programming, car parking, and other sources enabled by the realisation of the Melbourne's Marketplace vision.
 - Progress the thinking encapsulated in the Strategic Brief and Master Plan to the next level of detail in line with the 2016 QVMPR Implementation Framework.
- Provide an integrated vision for the retail and program development of Melbourne's marketplace and enable its future evolution within required parameters.
 - Enable a financial assessment of the outcomes that will be achieved through implementing the infrastructure improvements associated with the Queen Victoria Market Precinct Renewal Program.
 - Demonstrate the degree of investment in infrastructure and customer facilities required to maintain stability of current rental levels to meet trader and community expectations.
 - Progress the next round of communication and planning with market trader businesses and other key stakeholders.



MELBOURNE'S MARKETPLACE

Guiding principles

Delivering on commitments

Our Retail Plan delivers on public commitments described in a range of documents: State Government Agreement, October 2014; Queen Victoria Market Strategic Brief, February 2015; Queen Victoria Market Precinct Renewal Master Plan, July 2015; and Queen Victoria Market Precinct Renewal Implementation Framework, July 2016.

Protecting our heritage

Our Retail Plan recognises that heritage protection is contingent on maintaining Queen Victoria Market as an 'authentic working market'. Retaining the authenticity of our traditional marketplace is central to our planning and first and foremost requires respect for the market's traders and loyal customers. Understanding and nurturing our heritage ultimately requires the definition of a sustainable, viable future for the businesses that come together to create the marketplace.

A sound business model

Our Retail Plan is underpinned by a defined business model that seeks to maintain Queen Victoria Market's affordability and value to the retail customer, including a quality 'free' offer for visitors, a core source of its appeal as Melbourne's No.1 international visitor destination. It identifies how the market renewal's investment in quality infrastructure will enhance the marketplace's affordability for trader businesses, and provide them with a secure foundation to grow as entrepreneurs. Moving forward, our business model recognises that a crucial component to operating at the scale required to remain viable at Queen Victoria Market is the ability to service a customer base of small retail and hospitality businesses in the city, thereby building a stronger independent retail eco-system and supply chain for Melbourne.

Optimising public investment

Our Retail Plan recognises that Queen Victoria Market is a public asset, owned by the City of Melbourne. Our marketplace represents over seven hectares of central city property, and as such it is critical for a precinct of this scale and significance to respond to and cater for a broad cross-section of people and businesses. Our plans for the renewal and ongoing management of Queen Victoria Market therefore recognise the need for the marketplace's physical assets to transition from retail market to multi-layered precinct, catering to the full set of needs for an intensified local population, participating in the city seven days a week, from morning to evening. Our Retail Plan demonstrates that this can be achieved while maintaining the core traditions and expectations of an authentic working market by bringing new levels of activity to targeted customer experiences.

A flexible future

Fundamentally in times of rapid change we recognise the need to build in flexibility for the future. Our marketplace has evolved since 1878, assuming many roles for Melbourne as the city has developed. Long term sustainability and viability of a city marketplace will depend on ensuring core functions and values are retained as a foundation, with programming, retail options and business formats understood as flexible and dynamic activities that can be adjusted to meet the specific customer needs of the day. With this in mind, our Retail Plan is based on the understanding that renewal investment is largely directed at infrastructure, public realm improvements and heritage fabric restoration that will serve the marketplace over the long term.

STRATEGIC VISION + MEASURES

The Business Case

Queen Victoria Market's renewal is based on the delivery of a range of benefits.

The Queen Victoria Market Precinct Renewal has been planned and driven by a business case that seeks to deliver a range of social, environmental and economic benefits to the city. These Strategic Directions and associated measures underpin our Retail Plan and ensure that future activities are aligned and positioned to realise these benefits moving forward.

STRATEGIC DIRECTION 1:



Benefits
Economic – business

Measures
Business opportunities – diversity, access, scale, jobs
Economic value add – turnover, trading hours
Customer research – spend, visitation, length of stay

A place that supports and encourages authentic market trading in all its varieties.

- 1.1 Upgrade existing market facilities
- 1.2 Welcome people 7 days a week
- 1.3 Support emerging small businesses
- 1.4 Introduce new markets and attract new customers
- 1.5 Encourage longer visits

STRATEGIC DIRECTION 2:



Benefits
Economic – tourism
Environmental Sustainability

Measures
Tourism - visitation & repeat visitation
Quality/Depth of experiences – NPS, satisfaction
Sustainability – food miles, zero waste, carbon reduction

A place to experience Melbourne's local character and culture.

- 2.1 Inspire discovery
- 2.2 Embrace street life
- 2.3 Demonstrate environmental sustainability
- 2.4 Promote our local produce
- 2.5 Celebrate our heritage

STRATEGIC DIRECTION 3:



Benefits
Social Sustainability

Measures
Participation – customer, visitor, business, communities
Affordability
Programs and events - cultural diversity, access, inclusion

A place to connect with the people of Melbourne.

- 3.1 Put people first
- 3.2 Bring people together
- 3.3 Look after the locals
- 3.4 Create shared experiences that make social connections
- 3.5 Tell our stories, share our knowledge

KEY DRIVERS OF THIS PLAN

CUSTOMER	TRADER	MELBOURNE / VICTORIA	CITY OF MELBOURNE	THE COMPANY
<p>The destination of choice for city dwellers, locals & visitors</p>	<p>A great place to start & grow a business</p>	<p>Bringing economic & social benefits to Victoria</p>	<p>Driving economic & social benefits to the City</p>	<p>A strong sustainable company</p>
<ul style="list-style-type: none"> • Fostering sense of community and social engagement • Authentic market experiences in a contemporary city • Improved customer amenity • Improved access to services and facilities • A safe place to visit • Meeting current and future customer shopping needs 	<ul style="list-style-type: none"> • Improved trader amenity • Improved trader access • Meeting current & future traders' needs • Providing access to sophisticated business analytics • Providing quality facilities and infrastructure that fosters growth • Investment in promotions and business development 	<ul style="list-style-type: none"> • Contributing to our community • Developing & delivering a strong social mission • Contribute to local food production • Promoting regional visitation and economies 	<ul style="list-style-type: none"> • Promote & support social cohesion • Drive & deliver sustainability outcomes • Bringing the tourist dollar into Melbourne • Generating a return on investment • Continuing the proud heritage of Melbourne as a market city 	<ul style="list-style-type: none"> • Meeting legal and OH&S requirements • Being an employer of choice • Working with visible community charity schemes • Delivering a return on shareholder investment • Demonstrating best practice market management • Creating a culture of business innovation • Creating an efficient marketplace

MELBOURNE'S MARKETPLACE

Planning for future sustainability

The Retail Plan reflects an optimal scenario for the future sustainability of Queen Victoria Market.

Our Retail Plan has been developed through the examination of the level of impact possible within the Queen Victoria Market Precinct, alongside the potential of the business model that will underpin the sustainable future of the next chapter in the evolution of Queen Victoria Market.

An optimal retail plan described in detail in this document has emerged through the exploration of scenarios for the retail planning and development of the market's four quarters in collaboration with the City of Melbourne's Queen Victoria Market Precinct Renewal Program.

A high impact scenario was developed to understand the level of impact that could be broadly achievable but would be unlikely to gain community support due to the degree of change involved in core areas of stability within the marketplace.

In contrast, a low impact scenario was described to explore an improvement to the current state that would address the fundamental issues facing the market's current formats and style of trading, but lacked potential to support a flexible optimisation of the marketplace or to provide a financial benefit, meeting the future needs of customers and visitors.

The definition of these two ends of the spectrum revealed an optimal scenario that provides a balanced and achievable outcome in terms of impact, cost and future revenue. The 'optimal' scenario respects the community's desire for conservation of fundamental components and trading formats that define the highly valued market experience of today, while still ensuring the core benefits of the renewal investment are achieved creating a positive basis for the marketplace of tomorrow. The 'optimal' scenario forms the basis of this Retail Plan and through the integration of financial modelling and revenue projection, presents a sound return within an achievable set of assumptions.

An overview of Queen Victoria Market's current revenue base was prepared to serve as a baseline for forecast rents and other potential revenue sources. The result is a conservative assessment of Queen Victoria Market's potential post renewal, assuming that the full scope of infrastructure improvements are delivered as outlined within the Retail Plan as described in this document.



ENGAGEMENT + ANALYSIS

Developing our Retail Plan

The Retail Plan has emerged from a lengthy process of engagement with the market community and stakeholders.

The Melbourne's Marketplace Retail Plan expands on the broad vision of the Queen Victoria Market Strategic Brief (February 2015) to provide a retail direction for the future of Melbourne's Queen Victoria Market. The plan seeks to retain affordability for traders and customers while expanding the options for the flexible use and expanded activation of the marketplace to contribute to the urban renewal of the CBD North and achieve broader economic and social benefits.

Following the preparation of the initial draft in November 2016, SGS Economics & Planning undertook a peer review of the Retail Plan finding it to be sound. Following that peer review, PriceWaterhouse Coopers were engaged by the City of Melbourne to undertake a further assessment of the risks associated with the delivery of the Plan. This review concluded that the Plan is broadly achievable but noted that it contains a number of aspirations that must be monitored closely over the ensuing five year period of the delivery of the renewal program.

In April and May 2017 Queen Victoria Market Pty Ltd ran a communication process to inform Queen Victoria Market traders of the Melbourne's Marketplace Retail Plan. The process included trader information sessions, one on one meetings and distributing information to all traders in the marketplace.

A targeted communication approach was developed to highlight the role of the recently instated Trader Representative Committee (TRC) and promote the dialogue between trader facing staff to encourage improved relationships.

Overall, feedback from traders demonstrated support for management's vision for the market to maintain Queen Victoria Market as a traditional working market. Specific trader feedback informed the inclusion of a new section 'Marketplace Layout Principles' identifying intangible elements that are essential to the market's authentic trading environment.



EVOLVING HISTORY

A marketplace for Melbourne, evolving since 1878

From its beginnings in 1878, Queen Victoria Market has evolved alongside Melbourne. Its initial role as part of a cohort of inner city markets marked the first phase of this trading history. By the 1930s the Queen Victoria Market had fully expanded, ready to assume its role as the Melbourne's primary wholesale produce market. This period drew to a close as the scale of trading overwhelmed the site and larger facilities were developed in Footscray. With formal wholesale market trading relocated to Footscray in 1969, Queen Victoria Market took on a new focus on the retail customer. From the 1970s to the 1990s, Queen Victoria Market was the go to place for fresh food in metropolitan Melbourne. Each week,

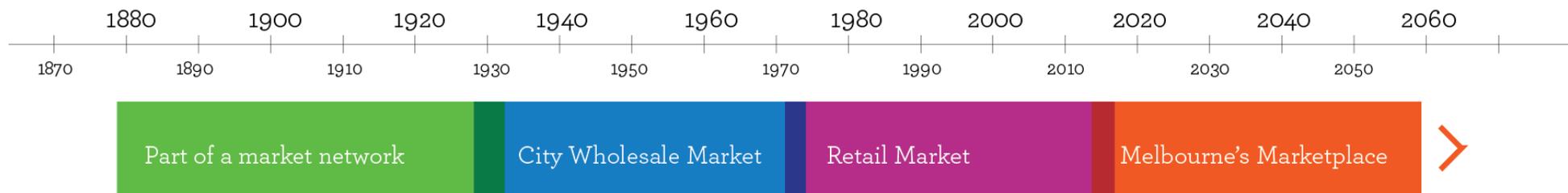
rain or shine, thousands of shoppers would travel in to the market to stock up on fresh fruit and vegetables, meat, fish, poultry and specialty foods. Queen Victoria Market was unrivalled in its scale, abundance and affordability. Even the market's opening hours were unmatched for a time, when in 1979 Queen Victoria Market became the first retail centre in Melbourne to be permitted to trade on Sundays.

However, inevitably the rest of the world caught up. What Queen Victoria Market brings in freshness and abundance, the CBD's supermarkets can surpass in convenience. The traditional market customer, whose dedication once saw

them driving across town to the only place guaranteed to provide them with fresh quality produce at reasonable prices is now presented with many similar options, closer to home and without the added hassle and expense of suburban toll roads and expensive inner city parking.

And yet despite this transition, the appeal of the marketplace continues to grow. In 2015 Queen Victoria Market was once again the top destination for international visitors to Melbourne, highlighting its significance as a place to 'experience' Melbourne, particularly for people in search of that quintessential, indescribable sense of local culture. Thousands of visitors continue to be

drawn to our marketplace, attracted by its authentic, 'local', working market qualities and strong community spirit. Renewal brings the opportunity to equip and position Queen Victoria Market for the next chapter in its evolution as Melbourne's Marketplace.



PROTECTING OUR HERITAGE

Historical significance of Queen Victoria Market

The role of Queen Victoria Market as a marketplace that continues to support market trading is central to its historical significance and heritage value.

The following excerpts are taken from the Draft Queen Victoria Market Conservation Management Plan (update 2017) prepared by Lovell Chen.

Market function

Queen Victoria Market is historically significant for its ability to demonstrate the operation and function of a nineteenth century market.

The arrangement of largely unaltered market buildings, dating from 1869 to the present day, provides a clear demonstration of Melbourne's nineteenth century pattern of market produce trading. The market also demonstrates the evolution of produce trading patterns with its variety of enclosed market halls, open sheds, perimeter retail shops and wholesale stores, still generally functioning as originally intended. The market also perpetuates distinctive forms of trading which have their origin in nineteenth century practices.

Continuous operation

Queen Victoria Market is historically significant as one of the earliest surviving and longest continuously operating markets in Victoria, and Australia.

The Lower Market, incorporating the Melbourne Meat Market (1869), has been continuously used for market purposes since 1859, and the Upper Market since 1878. While the market has evolved and adapted, these changes have largely been in response to the evolving needs and food handling requirements, which in turn have supported the ongoing market operations.

Social significance

Queen Victoria Market is of social significance as a long-standing market in central Melbourne which has provided fresh food and food products to the community since the 1870s, firstly in a wholesale capacity and from the 1960s, as a public retail market. It has also been a popular shopping and meeting place for generations of Victorians.

While the market has seen some phases of decline over its long history, its continuous use has ensured that it has provided an essential service for generations of Melburnians and visitors alike. QVM is also of social significance for the thousands of traders, agents and primary producers whose lives have revolved around daily market operations.



HOME TO A DIVERSE TRADER COMMUNITY

Queen Victoria Market has a proud history of supporting diverse, independent small businesses and sole traders.

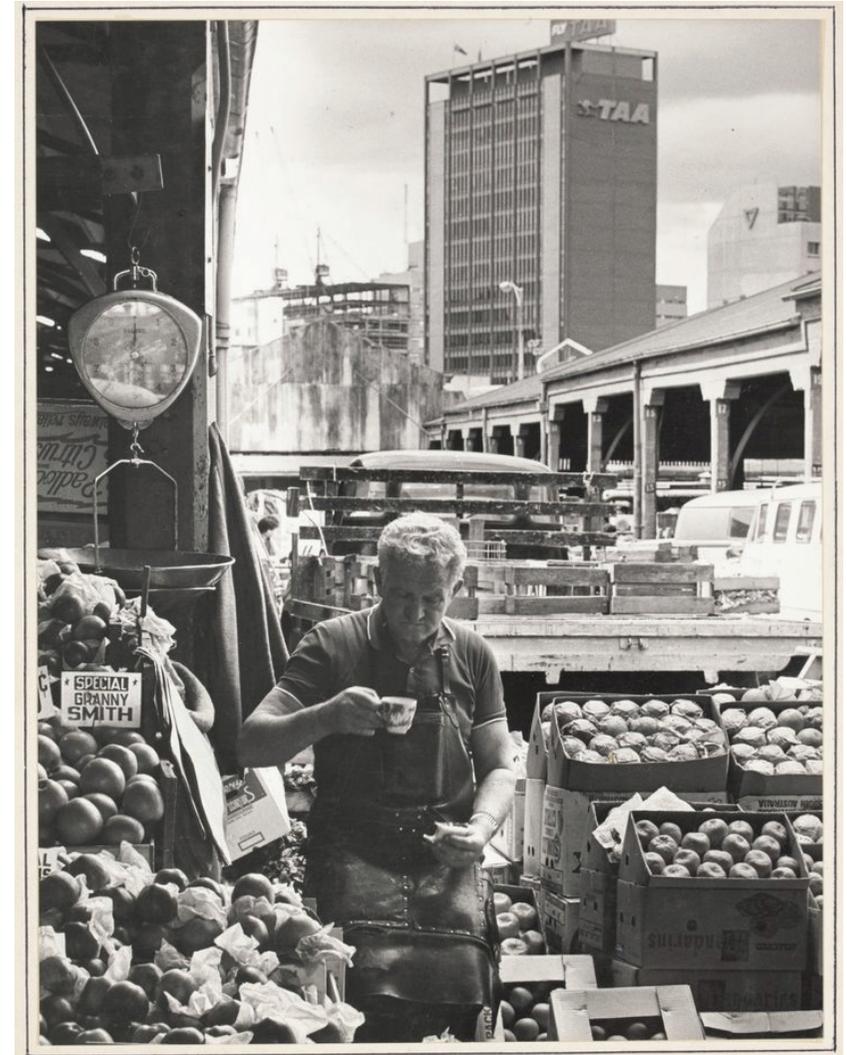
Queen Victoria Market has helped established generations of migrants by providing an affordable place to do business and find employment. As the city's main marketplace Queen Victoria Market has supported thousands of sole traders, producers and small independent businesses, influencing cultural life in Melbourne across waves of migration and development.

Over time Queen Victoria Market has provided countless people with a foothold into business and employment, many of whom were new arrivals to Australia. Market trading has provided a low barrier of entry to a culturally diverse population, drawn together by the traditions of market trading. The market has fostered a truly multicultural heritage with stallholders and customers representing many ethnic groups, each bringing their own culture to the mix to create something truly 'Melbourne'. Many traders have stories of the role the market has played for them and their families as a starting point in their new country.

"On arrival in Australia in the 1950s, my parents took the only option open to them and opened a stall in the Victoria Market... After a few years of success, they expanded their business by buying a garment shop in a fashionable suburb..." David Mittelberg, 2004

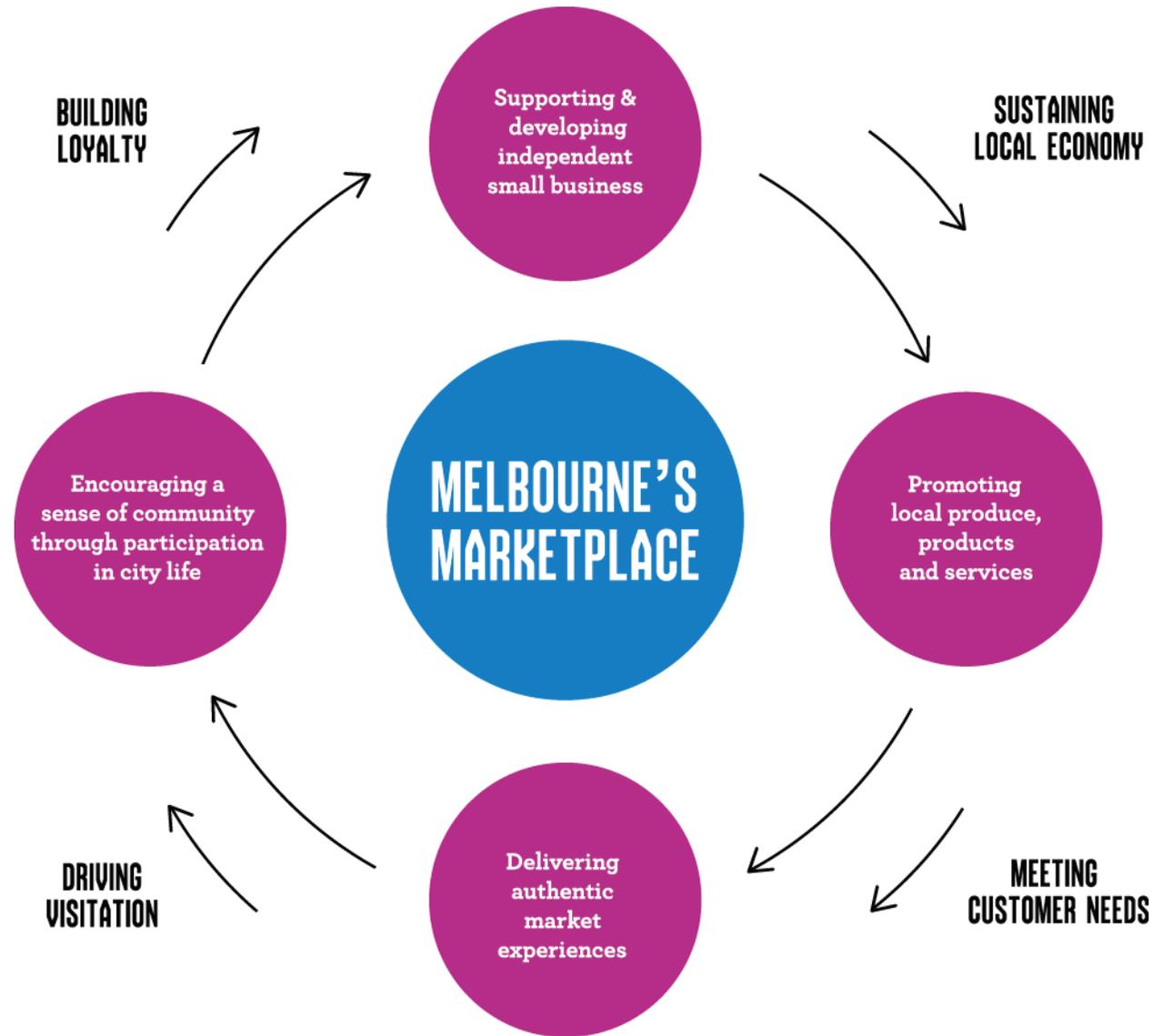
Melbourne's Marketplace continues the tradition of supporting diversity and a unique trading culture by:

- Celebrating our connection to Melbourne's multicultural communities;
- Providing an increased variety of flexible spaces to do business;
- Offering an expanded range of lease and licence options from seasonal to long term;
- Providing access to quality infrastructure and low costs of doing business;
- Creating pathways for investment and business development; and
- Forging links with Melbourne's emerging Innovation District and start up communities.



Queen Victoria Market trader, 1975

BUSINESS MODEL



MANAGEMENT VISION

VISION

A thriving and diverse marketplace for future generations

MISSION

Responsive to
customer needs

Create a platform for
small business to prosper

Realise social, economic
and environmental
benefits for stakeholders

EXPANDING CUSTOMER BASE

Greater Melbourne is in the midst of an unprecedented surge in population and employment growth

Queen Victoria Market is at the centre of one of the fastest growing areas of the City of Melbourne municipality and is perfectly poised to support this growth, expanding on its significant contribution to Melbourne's liveability and economy through the physical improvements that will drive the market precinct renewal program over the next decade.

The Queen Victoria Market's identity as a community meeting place, providing people from all walks of life with a level playing field within the city on which to meet, exchange, celebrate, trade and essentially go about everyday life is undoubtedly our strongest asset. Our market renewal program and ongoing place management recognises and seeks to protect this core sense of authenticity, relevance and meaning to Melburnians while opening up further opportunities to participate in the market precinct.



Melbourne's average daily population is tipped to grow by 38% in the period from 2015 to 2030.



By 2030 the average daily population of the City of Melbourne will be in excess of 1.2 million.



By 2030 more than 202,000 people will live in the City of Melbourne municipality.

A CUSTOMER FOCUS

Today's customer wants to shop local but expects convenience too.

Research demonstrates that Melburnians value the markets of Melbourne, recognising the experience they offer and the potential to browse a high quality range of fresh produce and locally made products in a unique environment.

However, traditional markets can lag behind in trading hours and customer services. The ubiquitous ease of online shopping and extended opening hours of supermarkets and convenience stores gives consumers a broad variety of options to blend shopping into their everyday lives.

This reality means that unless basic practicalities are addressed, customers are more inclined to view a visit to the market as an outing, rather than an experience they can make a regular part of their daily routines.

Melbourne's Marketplace Retail Plan provides the opportunity to build the community value of Queen Victoria Market by focusing on today's customer.

What, if anything, would you improve about Queen Victoria Market?



Queen Victoria Market Customer Research, Sweeney May 2013

EXPANDING CUSTOMER BASE

The projected growth for Queen Victoria Market's customer catchments is significant.

Residential Population

	2011	2016	2021	2026	2031
2km	57,987 ⁴	78,562 ¹	103,607 ¹	119,395 ¹	125,025 ¹
10km	1,035,349 ²	1,157,569 ²	1,287,290 ²	1,401,747 ²	1,502,277 ²
Metro Melbourne	4,169,366 ³	4,628,199 ³	5,106,681 ³	5,585,860 ³	6,058,786 ³

1. City of Melbourne Population projections (CBD, Carlton, Parkville, North Melbourne) Geografia
2. Victoria In Future (2016) Population Projections (LGAs Included – Boroondara, Darebin, Hobsons Bay, Maribyrnong, Melbourne, Moonee Valley, Moreland, Port Phillip, Stonnington and Yarra)
3. Victoria In Future (2016) Population Projections

Employment Population

	2011	2016	2021	2026	2031
2km	298,267	339,050	376,249	414,695	456,351

1. City of Melbourne employment projections (CBD, Carlton, Parkville, North Melbourne) SGS Economics 2012

Student Population

	2011	2016	2021	2026	2031
2km	59,000	72,000	82,000	92,000	100,000

1. City of Melbourne daily population estimates and forecasts report 2015 (City of Melbourne)

Visitors to the City of Melbourne

	2011	2016	2021	2026	2031
Metro Melbourne	59,000	72,000	82,000	92,000	100,000
Regional Victoria	12,000	13,000	14,000	15,000	15,000
Interstate	28,000	32,000	34,000	35,000	37,000
International	32,000	50,000	63,000	79,000	95,000
Total	240,000	261,000	279,000	299,000	318,000

1. City of Melbourne (2015) Daily Population Estimates and Forecasts <https://www.melbourne.vic.gov.au/SiteCollectionDocuments/daily-population-estimates-and-forecasts-report-2015.pdf>

CUSTOMER CATCHMENTS

CUSTOMER ECOSYSTEM

Dynamic market experiences and events

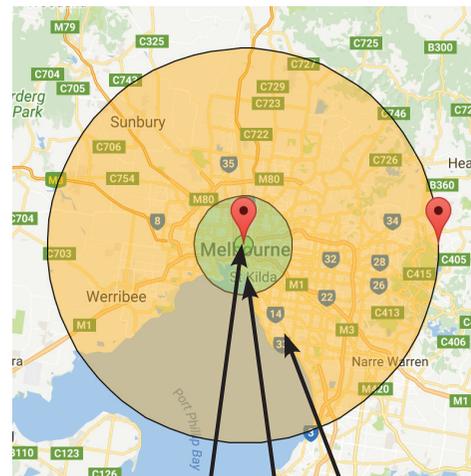
Variety and value for Melburnians

Supplier of choice to City businesses

Home of 100's of small independent local businesses

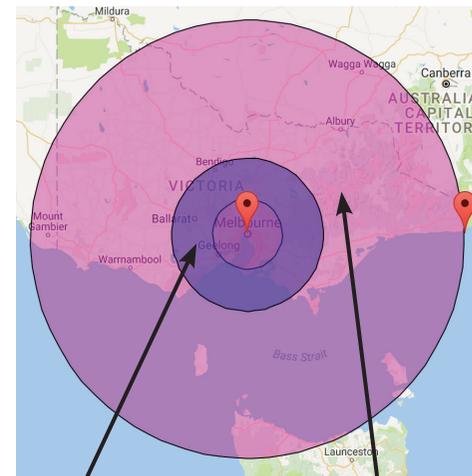
MELBOURNE'S MARKETPLACE

THE MELBURNIAN



- CBD 0-2km
- Inner 2-10km
- Metro 0-40km

THE VICTORIAN



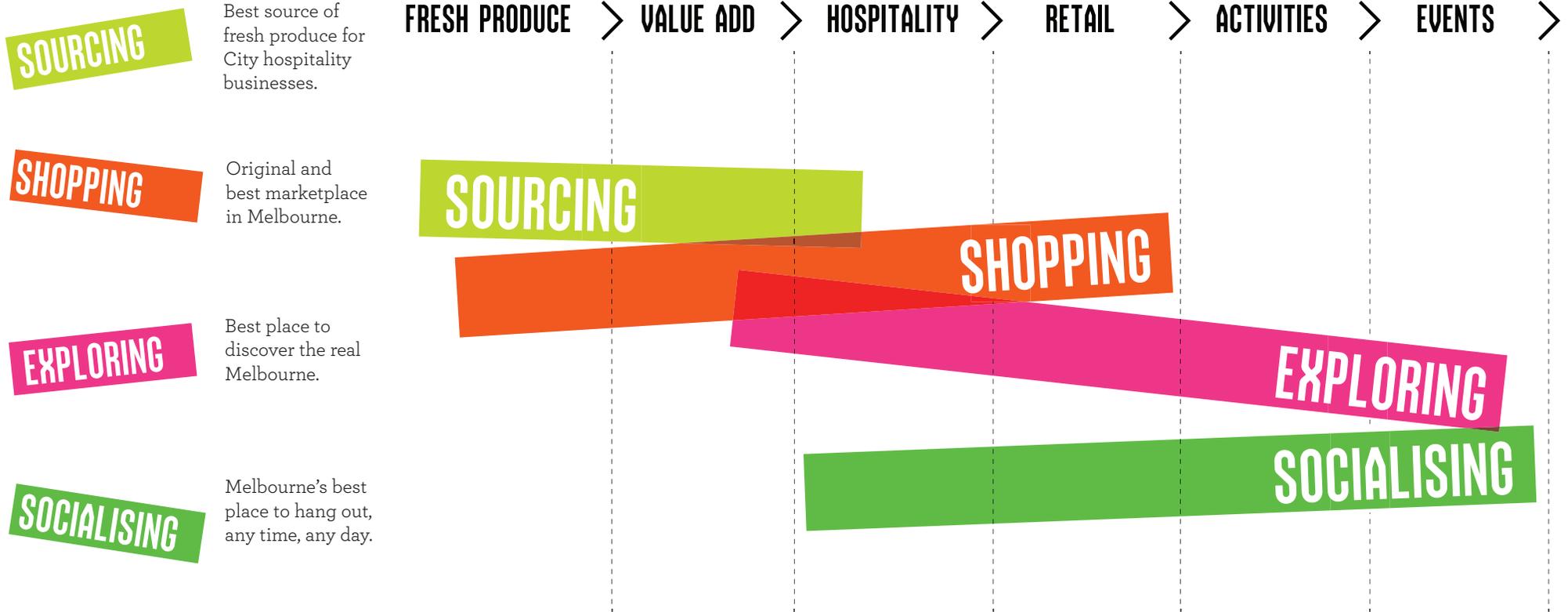
- Inner Regional 40-140km
- Outer Regional 140-400km

THE VISITOR



- Interstate 400-400km
- International 4000+ km

CUSTOMER EXPERIENCES + OFFER



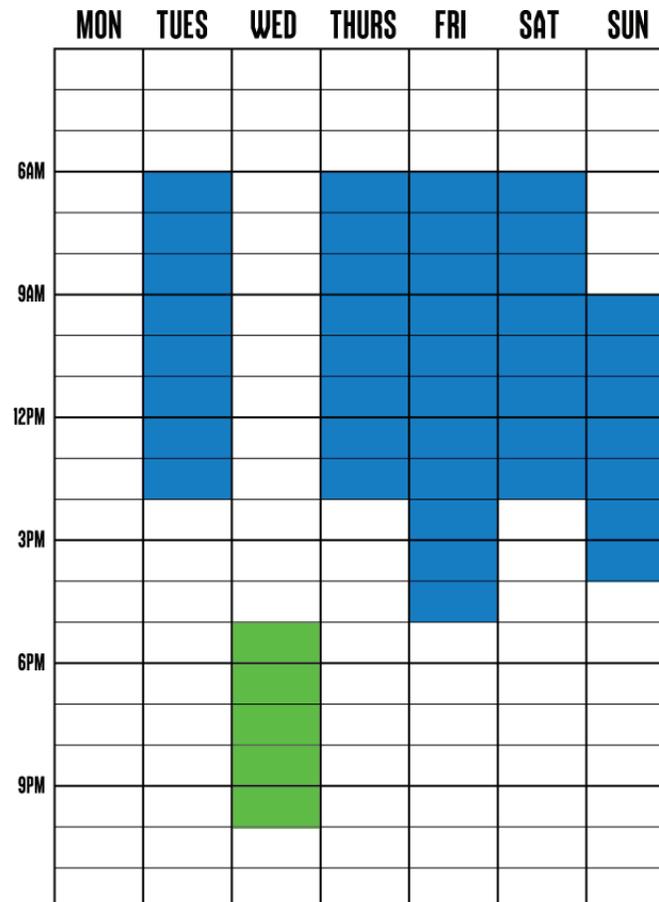
WHAT DRIVES OUR CUSTOMER?

	MELBURNIAN						VICTORIAN		VISITOR TO VICTORIA		MELBOURNE BUSINESS		
	CBD/City North (0-2km)			Inner (2-10km)	Metro (10-40km)	Inner Regional (40-140km)	Outer Regional (140-400km)	Interstate (400-4000km)	International (4000km+)	CBD/City North - Last Km	Inner (2-10km)	Metro (10-40km)	
	Resident	Worker	Student	Resident	Resident	Resident	Visitor	Visitor	Visitor	Business	Business	Business	
Shopping													
Value for \$	✓✓	✓✓		✓✓	✓✓	✓							
Quality	✓	✓		✓	✓	✓							
Variety				✓	✓	✓							
Vibrancy						✓							
Convenience	✓	✓											
Community	✓			✓	✓								
Service	✓			✓	✓								
Exploring													
Unique					✓✓	✓	✓	✓	✓				
Big City Marketplace						✓	✓	✓	✓				
Free / Cheap					✓	✓	✓	✓	✓				
Welcoming / Inclusive					✓	✓	✓	✓	✓				
Interact / Participate					✓	✓	✓	✓	✓				
Local People									✓✓				
Starting point					✓	✓	✓	✓	✓				
Socialising													
My Local	✓	✓	✓	✓	✓								
Free / Cheap	✓	✓	✓	✓	✓								
New / On trend / Latest	✓	✓	✓	✓	✓								
Ritual / "The thing to do"	✓	✓	✓	✓	✓								
Accessible	✓	✓	✓	✓	✓								
Spontaneous / FOMO	✓												
Sourcing													
Value for \$										✓✓	✓	✓	
Reliability										✓	✓	✓	
Specialisation										✓	✓	✓	
Convenience										✓✓	✓✓	✓	
Service										✓	✓	✓	
Quality										✓	✓	✓	

CREATING CUSTOMER EXPERIENCES

Trading with tradition

Queen Victoria Market's current trading hours define the activity level in the precinct. Traditional market days are Tuesdays, Thursdays, Fridays, Saturdays and Sundays. The authenticity and tradition of this core offer is fundamental to the appeal of the marketplace and presents our foundation for retail planning.



Building on Tradition

Vic Market's traditional market offer and hours act as the foundation for our marketplace.

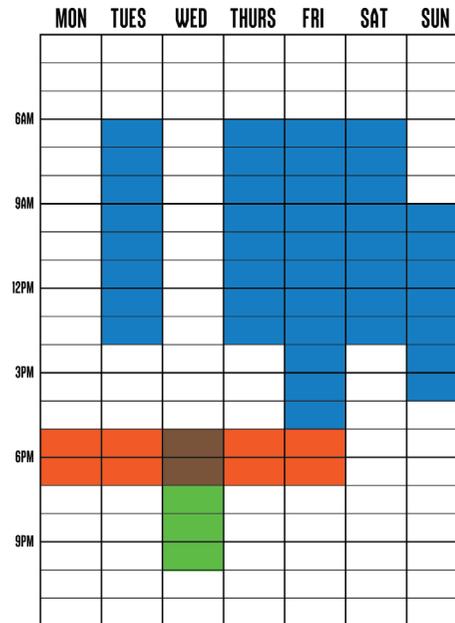
Wednesday nights

For nearly twenty years the summer night market has made QVM Melbourne's favourite Wednesday night hang out and now this is a winter thing too.

CREATING CUSTOMER EXPERIENCES

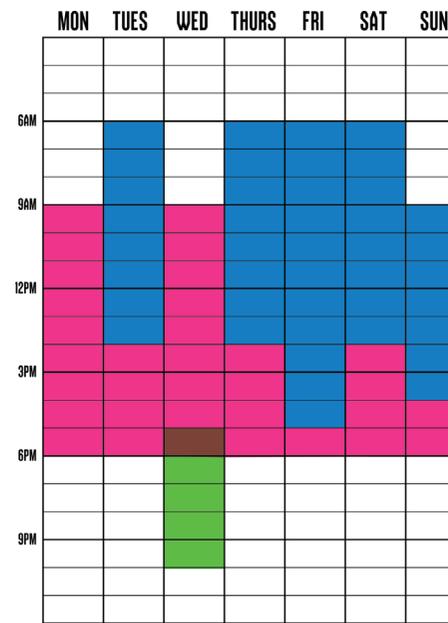
Meeting diverse customer needs

Despite economic challenges, Melbourne's retail landscape is diverse and relatively strong, and the broad range of research undertaken in recent years has confirmed that Melbourne customers understand where our city's markets fit. Tourism figures demonstrate that visitors seek out markets in their search for a local experience, with Queen Victoria Market continuing to rank as the No. 1 destination for international tourists each year.



Weekday Convenience

Workers, students and residents are seeking convenient meal options, in the form of ingredients or value add food to take home. Convenience means being open and easy to get to en route so opening hours and location within easy reach of transport is key to seizing this opportunity. Forget mornings though - the AM commute is hard enough without adding shopping to the mix.



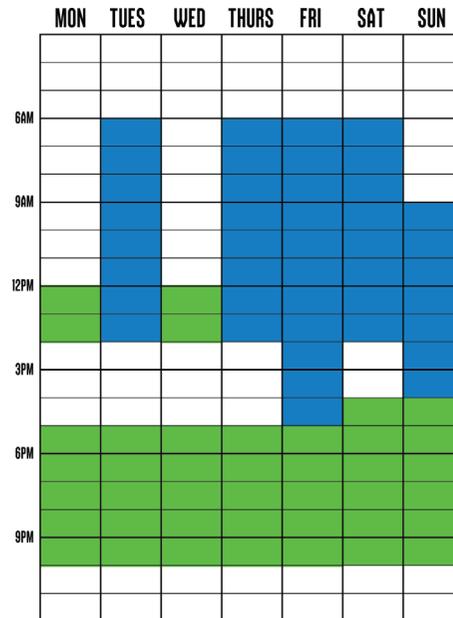
Seeing the sights

Tourists and visitors are free to wander the city and gain a true Melbourne experience.

CREATING CUSTOMER EXPERIENCES

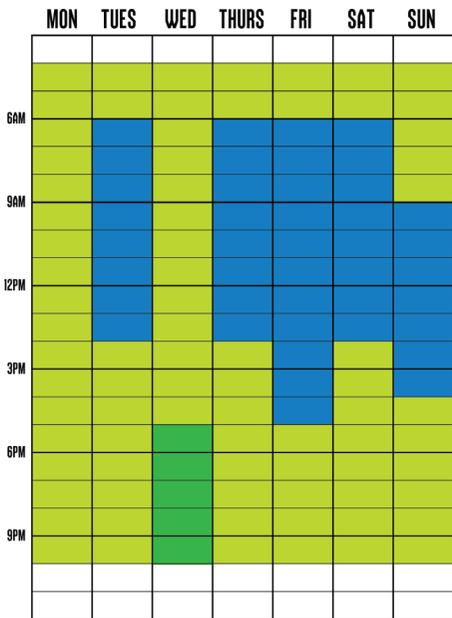
Sourcing produce and adding value

By becoming a supplier of choice for local business, Queen Victoria Market serves as an alternative supply chain for like-minded retail and hospitality businesses both operating at the marketplace and beyond. The raw ingredients for hospitality and street food sold at the marketplace is sourced from fellow market businesses, sharing value amongst the market community.



Cheap eats + entertainment

Melbourne has many great dining options, but there is an insatiable appetite for cheap eats: lunch, weekend brunch or dinner. When you throw some free entertainment into the mix, add some intriguing market retail, you have the recipe for a great day or night out.



Serving local business

Vic Market is the supplier of choice for Melbourne's local cafes, restaurants and hospitality providers with market fresh produce and value added products prepared on site.

New infrastructure enables market businesses to operate how they want, when they want - to best deliver their customer's needs.

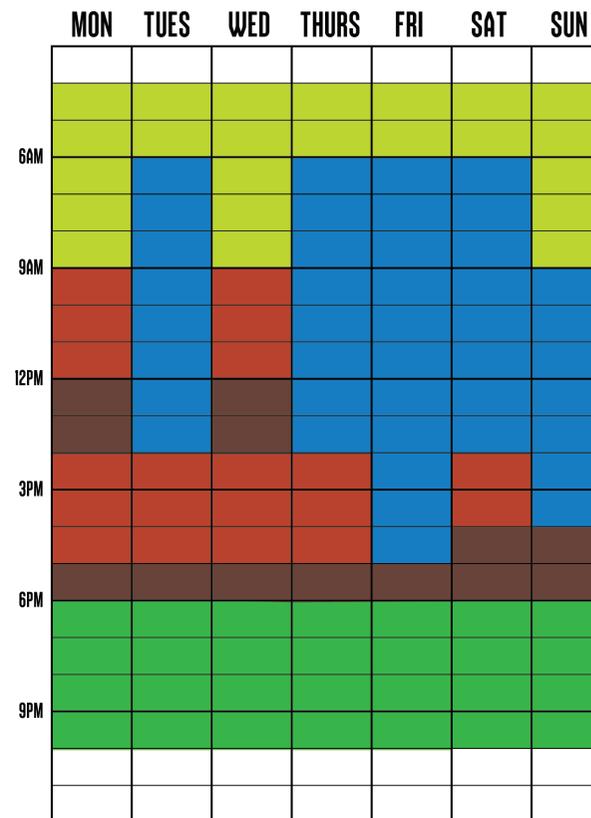
All of this activity has the added bonus of bringing authenticity and diversity to the visitor experience.

CREATING CUSTOMER EXPERIENCES

Traditions plus

Melbourne's Marketplace will serve the changing needs of the city with our traditional market trading at its heart.

There is no doubt that Vic Market offers something more than Melbourne's other markets and indeed it is here we can identify our unique selling point: Queen Victoria Market is Melbourne's 'market of markets'. It is the diversity of market experiences, combined with our significant place in the routine everyday lives of countless people that inspires the loyalty and sense of connections that sets the Vic Market apart. The renewed market precinct will significantly expand on the marketplace's existing capability to offer a broad range of market experiences throughout the week, from morning through to evening. In planning for these activities we have developed an understanding of our customer target groups that is based on building loyalty and fulfilling needs.



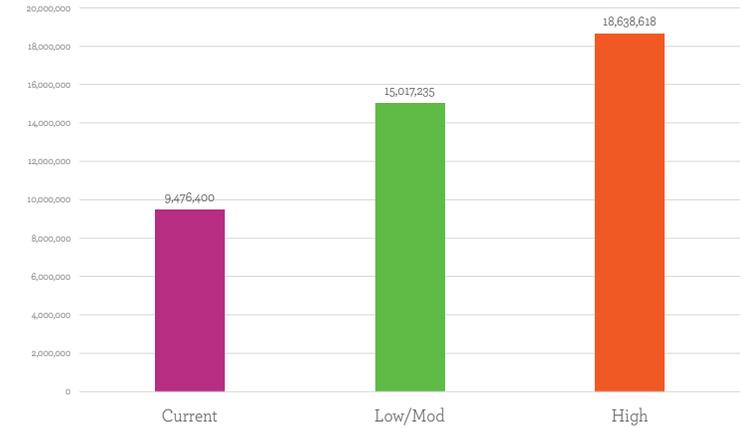
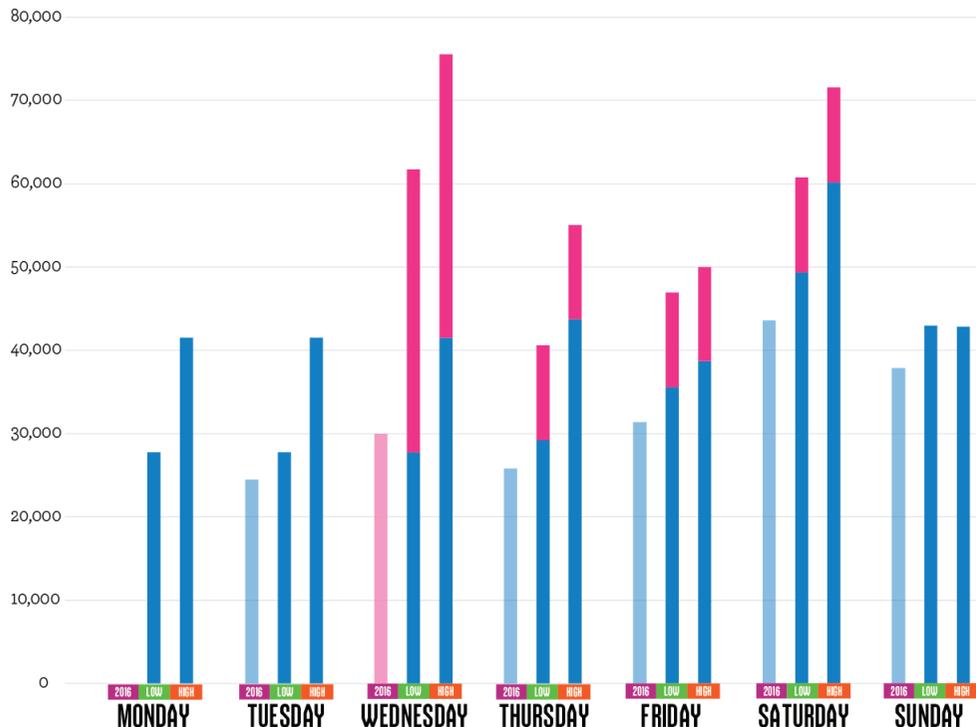
New layers

Tuning in to our customers will add new layers of experience, building on our core, traditional offer and bringing business and vibrancy to the marketplace throughout the week, from morning to evening.

BRINGING THE MARKETPLACE TO LIFE

From 9.5m annual visitors to 17m plus

With Melbourne's daily visitor population tipped to hit 1 million by 2023, this Retail Plan will ensure Queen Victoria Markets combination of activation, expanded active hours and traditional market offering continues to bring Melbourne's Marketplace to life as a centre for the community and visitors alike. Detailed capacity planning has provided a basis of this plan, using the City of Melbourne's annual visitation growth rate projection at 1.8%.



	Current	Low/Mod	High
MONDAY	0	1,443,442	2,159,430
TUESDAY	1,274,000	1,443,442	2,159,430
WEDNESDAY	990,000	2,939,002	3,654,990
THURSDAY	1,341,600	1,780,623	2,534,602
FRIDAY	1,632,800	2,348,482	2,511,317
SATURDAY	2,267,200	2,829,328	3,391,845
SUNDAY	1,970,800	2,232,916	2,227,004
TOTAL ANNUAL	9,476,400	15,017,235	18,638,618

SECTION 2 · MARKETPLACE RETAIL PLAN

RETAIL PLAN OVERVIEW

The evolution of Melbourne's Marketplace

The future of market trading is central to conserving the heritage significance and community value of Queen Victoria Market.

The Melbourne's Marketplace Retail Plan has been prepared to ensure that Queen Victoria Market's particular forms of traditional market trading are not only sustained, their continued evolution is encouraged. This evolution will ensure Queen Victoria Market continues to sustain the changing needs of the small businesses it supports and the customers they serve.

Traditional market trading practices are protected in several ways. These include the market's listing on the Victorian Heritage Register, the status of the Crown land (reserving much of the market lands for 'market purposes'), the relationship between City of Melbourne and its subsidiary company Queen Victoria Market Pty Ltd, and the Rules of Stallholders operation which apply to hundreds of trading licences.

While these protections ensure that the governance and physical form of the marketplace is preserved, markets are a living culture made up of independent traders and customers that together make up the market community.

The survival of market trading depends on the provision of marketplaces that provide a flexible, affordable infrastructure for small independent businesses to start out, the promise of potential customers afforded by prominent city locations and a level of security and tenure to support the investment they need to grow.

At Queen Victoria Market, as with all public retail marketplaces, access to trading opportunities: leases, licenses and other commercial opportunities will continue to be reserved for independent businesses and sole traders, recognising the vital role these players perform in the local economy and business eco-system.

This Retail Plan is dedicated to leveraging the investment in renewal of the marketplace infrastructure to continue this core function of providing a platform for small business to prosper.

Supermarkets, franchises and non-locally owned businesses are not allowed access to the public marketplace under the definition 'market purposes'. Leases and licences must continue to be granted to business owners and traders meeting relevant criteria and the adherence to these fundamental 'rules' form the basis of this Retail Plan.



MARKETPLACE LAYOUT PRINCIPLES

Making a market happen

Marketplaces exist to support market trading, an ancient form of human exchange. In planning for the future of market trading it is important to stay true to the fundamentals of good marketplace layout, informed by traditional markets the world over.

1. A successful marketplace is vibrant and busy

Overall, to be successful the marketplace must support and encourage people to buy and sell. Vibrant, active and busy places attract customers, generate excitement, and promote sales.

2. A great marketplace comprises a variety of spaces at differing scales

Larger marketplaces combine enclosed buildings with streets and open air areas and typically incorporate at least one major space such as a Market Square. Smaller spaces depart from this main area and there is a sense of logic and hierarchy to the scale of the different spaces. Scale is important, as spaces that are too big can feel empty and deter customers.

3. A great marketplace incorporates a lively pedestrian network

A great marketplace can comprise a system of intersecting pedestrian paths and streets, with walking paths at right angles. Managing this activity must be done carefully to avoid conflicts and ensure the hustle and bustle is positive and not risky. The intersection of pedestrian and vehicular traffic systems within the marketplace was traditionally marked by a cross and typically represents the busiest part of the market. A marketplace's pedestrian network is enlivened by highly active frontages. Places with high pedestrian exposure provide valuable opportunities for selling.

4. A trip to the market is a social event

Great markets are places where people like to meet up, socialise and people watch. Places to sit and relax, along with informal food and drink options support and encourage this important aspect. Social areas are best located at crossings of roads and paths to maximise trade for food stands but also importantly to create a social atmosphere.

5. The marketplace has stories and a sense of theatre

Just as the products have provenance, so too does the site. The marketplace is embedded with stories and this narrative is picked up and told in many different ways. The theatricality of the marketplace is emphasised by the layout, where the inner workings are exposed.

6. The marketplace is a sensory experience and anything but sterile

The marketplace provides for sensory experiences - sights, smells, tastes, sounds and a hands on quality. This is a key point of difference for everyone involved and one of the marketplace's unique selling points. Barriers between the customer and the product are removed and there is a direct relationship between the buyer and the seller. It's also important that the market experience doesn't become sensory overload, so thought to the various experiences on offer should also include places of respite. A sense of freshness, rawness and authenticity is also important, whether that relates to vegetables pulled straight from the ground through to utilitarian environment. The marketplace is honest and authentic.

7. Market trading is arranged to encourage the customers to buy

Traditionally in markets, retailers of similar product group together. The concept of drawing people in to the heart of the marketplace is as old as markets themselves. Locating 'staple' products centrally encourages customers to enter the market, enlivening the pedestrian networks and providing other market traders with foot traffic. For customers, markets offer the chance to form long standing relationships with market traders, and integrate their visit to the marketplace with their regular routine. For this reason permanent or regular traders are grouped together in fixed locations, maximising convenience and familiarity for customers. Similarly, grouping temporary trading areas together enables the promotion of casual or one off traders as an 'offer', ensuring they don't get lost in the overall market experience.

MARKETPLACE EVENTS + PROGRAMMING

Melbourne's Marketplace plays host to a diverse public events and activities program

Building on the success of Queen Victoria Market's existing event and festival program, Melbourne's Marketplace will emerge as one of the city's most significant community gathering places. Queen Victoria Market's Wednesday night markets have become a Melbourne institution since their inception 20 years ago. Along with being a free night out for thousands of visitors, the night markets role as a genuine incubator and site for hospitality and food innovation has customers flocking back each year.

Not only are the Queen Victoria Market's Wednesday night markets popular with customers, and in particular a younger demographic, they are successful financially, with 30 Wednesday nights contributing 10% of the market's total annual revenue in 2015.

Market customers report a strong satisfaction with Queen Victoria Market's events and activities and a demand for more activities is a recurrent theme in engagement and customer research. Customers are interested in 'more to see and do' at the market, particularly throughout the week and into the evening. This Plan gives the opportunity to develop a viable model of market style curated events and

regular programming that is unique to Melbourne and provides customers with the diversity and quality of experiences they are seeking from Melbourne's Marketplace.

Queen Victoria Market is also home to a diverse and growing program of cultural events and festivals. With food a strong expression of culture and identity, weekend cultural festivals have been warmly accepted into the marketplace mix and will continue to form an important part of future programming.

The renewed marketplace will provide a platform to build on the success of Queen Victoria Market as a place for events and activities. Public spaces will be created and supported by integrated events infrastructure, with improved site logistics enabling the market to trade alongside complementary events and activities.

Growth in Queen Victoria Market's events and programming will bring significant economic and social benefits to the city. Events and cultural programming play a major role in Melbourne's liveability and overall social and cultural belonging. Queen Victoria Market's events are inclusive, free/cheap and welcoming of all cultural groups.

Melbourne's Marketplace Retail Plan is based on a set of conservative assumptions for the growth in events that would be incremental and provide an important way to express the strategic vision for Queen Victoria Market as a Community Meeting Place. This includes growth of events delivering 160 events across the year comprising 44 Wednesday Night Markets, 90 other smaller night events Thursday/Friday/Saturday evenings, 26 community / cultural events across weekends (every second weekend).

The flexibility afforded by Queen Victoria Market's renewal is central to the realisation of this future. With streamlined logistics, onsite storage and other facilities and infrastructure, market traders will enjoy a greater degree of options to trade at different times in flexible spaces, as part of a vibrant program of activities. Key spaces include the new Market Square, Market Cross and Queen Street Plaza, in addition to Sheds J, K and L. Additional smaller scale spaces have been identified in Quarters 1 and 2 but for the purposes of forecasting have not informed the revenue projections at this stage.

Future events revenue is based on traders participation and licence agreements over multiple events. Liquor licencing provides the core support with Revenue included from only supporting events. Total after labour and COGS = 2.4 mill with COGS and Labour @ 50% (28% COGS/22% Labour). It is intended that liquor licencing drive additional revenue across day market which is upside to the plan. With increased events and programming comes increased costs associated with specialist labour, storage, and infrastructure and this is reflected in the \$1.6m included in the financial plan.

MARKETPLACE INFRASTRUCTURE

A smart marketplace for a smart city

Melbourne's Marketplace Retail Plan sets out a future for Queen Victoria Market that serves to retain its authentic character as a working traditional marketplace, positioned to meet the changing customer needs of the 21st century.

The realisation of this vision will depend on a solid base of quality retail and operational infrastructure positioned to support the growth and development of a varied and dynamic population of small businesses. Maintaining a low barrier to entry and minimising costs of doing business for independent market traders is critical to support the marketplace's role as an incubator and platform for business moving forward. The marketplace's integrated infrastructure plan is the engine room that drives the economic performance of the market.

For market businesses, infrastructure relates to the systems, facilities and services that support them and enable them to reliably and efficiently run their businesses. Places to store product safely, amenities for trader staff, loading areas and access points for service and delivery vehicles all come under the heading of 'infrastructure'. Market

infrastructure also covers the 'mechanics' of the marketplace itself, its building systems, access points, circulation spaces, loading docks and service points. Market management are reliant on the market's infrastructure to run the marketplace safely and efficiently, with security systems, event management, cleaning, waste management and building services all being contained within this area of requirements.

Running a public marketplace safely is doubtless the number one priority. The safety and efficiency of the marketplace's infrastructure is not only a critical factor in its ongoing viability and sustainability as a whole, it is paramount to the success of hundreds of trader businesses.

It is now incumbent on Queen Victoria Market Management to deliver the separation of vehicles from public areas to comply with contemporary safe work practices, including the requirements of the Occupational Health and Safety Act (2004).

Queen Victoria Market customers also have a strong interest in the market's infrastructure. The workings of the market are often cited as an important part of the 'market experience'. It is important that this

is not lost in efforts to cater for the future, but a balance must be found that showcases the functionality of the market operations without compromising the safety, efficiency and productivity of the businesses that rely on it.

Marketplaces rely on vehicles of all descriptions to fulfil their function as a place of exchange. The ability to move goods and people to, through, and from the market is a constant requirement. As customer and business needs change, and different technologies emerge, the marketplace will need to be positioned to respond to new modes of transport and access. Driverless vehicles, automated transport, low carbon delivery vehicles and drones will be a part of Queen Victoria Market's future. While we may not be able to predict specific requirements for the next 20 to 30 years, our Retail Plan anticipates an ongoing and sustainable role for Melbourne's marketplace as a place of business supporting the changing needs of Melbourne in the long term. Infrastructure is central to fulfilling that vision.

The specific market operations infrastructure identified to support the Melbourne's Marketplace Retail Plan is centred around Quarters 1 and 2. It is anticipated that customer car parking areas could be adapted in the longer term as driverless vehicles become a reality. Similarly as the central city undergoes a period of intense change due to the development of major transport initiatives such as Melbourne Metro and the Western Distributor, there will, in the short to medium term be an ongoing need for dedicated customer and trader vehicle access and parking to maintain the marketplace's continuity of business.

MARKETPLACE INFRASTRUCTURE

Striking a balance with back of house facilities

Queen Victoria Market's new below ground areas will contain the facilities required to sustain open air market trading for future generations, without compromising the market's retail trading areas or business efficiency.

A below ground area in Q1 will not only provide options for cool and dry storage and other flexible business systems for over one hundred small businesses, it will enable modern waste facilities to be placed away from the public realm. Q2's below ground area will house the replacement of storage lost from the Franklin Street Stores, along with waste management and recycling ensuring there is no reduction to the market's retail trading area. Providing these and other back of house functions below ground will improve the safety and efficiency of trader operations but not at the expense of the market's authenticity.

The distinctive mobile box units which ensure the market's versatility by providing storage for hundreds of general merchandise traders can be stored below ground making the market's sheds available day and night for market trading and community events. Crucially for Q2 traders, the inclusion of below ground customer

car parking in this area will bring their customers straight to their stall.

Without these below ground areas, Queen Victoria Market traders' ability to adapt to meet evolving consumer expectations will be severely constrained. Opportunities for small businesses to service fellow local small hospitality businesses will be lost, as there will be no facilities enabling larger scale deliveries. Irrespective of Queen Victoria Market's heritage status, market trading facilities must comply with food and workplace safety and security requirements which - if placed at grade, will reduce the current trading area and impact on the market experience. Above ground storage would detract from the market's open air ambience, and the market's efforts to introduce more sustainable practices through recycling, power generation and other measures would be constrained by the scale and character of facilities permitted within the marketplace.

The temporary dismantling of a portion of Queen Victoria Market's heritage sheds will not only allow for construction of these critical below ground areas, once returned the sheds will be restored and ready to shelter the market's next century of traditional open air market trading.



Image: QVMMPR Implementation Framework (2016)

Highlights:

24 hour access to storage and back of house facilities

Safer and more efficient work environments for traders and their staff

Opportunities for investment in new customer services (deliveries, provedoring etc.)

MARKETPLACE PARKING REQUIREMENTS



Current marketplace parking

Marketplaces rely on vehicular access in many ways

Over 50% of shoppers access Queen Victoria Market by car. Market traders rely on their vehicles as essential part of their business operation - for transporting produce and products, deliveries, and even storage. Parking and related issues have been one of the strongest consistent themes in community and trader engagement since the early announcement of intentions to renew the Queen Victoria Market in 2013.

Public space in the marketplace is also highly important to the market's success. Customers need spaces to move through and congregate safely, and market businesses need areas separated from the public to undertake their activities efficiently.

Queen Victoria Market's renewal will transform car dominated streets and spaces in the market precinct into valuable public space, with opportunities for temporary market trading, events and programming. Renewal will give priority to pedestrians in key areas creating the Market Cross and Market Square from hectares of roadway and parking.

Alongside this major transformation, the marketplace will continue to operate efficiently by relocating customer car parking, trader and service vehicles to below ground areas conveniently located in two key areas of the precinct.

In the future, as customer needs change, and new technologies emerge Queen Victoria Market's below ground areas will be repurposed to meet the changing demands of the city's food supply system. The areas will provide additional support for market/city deliveries, last km freight, low carbon vehicles, driverless vehicles and other futures that can not be foreseen. In the short to medium term, the optimal plan will meet trader and customer requirements for improved parking, access and public space within the marketplace.

Highlights:

Two dedicated below ground car parking areas located in Q2 and Q4 servicing market customers across marketplace

Space for trader vehicles in below ground service areas

Removal of at grade parking lot to make way for new Market Square

Consolidation of traffic movements in precinct to improve safety and impact to surrounding streets

Greater flexibility for traffic management during busy events periods

MARKETPLACE CORE CONCEPTS

Quarter 2

Queen Victoria Market's open air sheds and working heritage provide a quintessential market experience in the heart of the city. New facilities mean that, despite the challenges of urbanisation and climate change, city dwellers and local businesses can continue to access locally sourced produce from independent traders at Melbourne's Marketplace as they have done for generations.

FRESH
TRADITIONS

EXPERIENCE
FOOD

Quarter 1

No other marketplace in Australia is home to as many butchers, fishmongers, fruiterers and specialty food providers. The unique atmosphere of market trading comes to life here in this historic quarter. With vastly improved back of house facilities, market trading in Vic Market's iconic halls and sheds will take centre stage.

OUR THIRD
PLACE

CITY
LOCAL

Quarter 3

Every city needs a backyard – a place of possibilities and good times. Melbourne's new Market Square and adjoining sheds will play host to an eclectic blend of market trading, legendary night markets, street food, hospitality and community festivals and events.

Quarter 4

Where the market meets the city, a starting and finishing point for a Melbourne experience and a local haunt.



RETAIL PLAN: QUARTER 1

Quarter 1: Experience Food

No other marketplace in Australia is home to as many butchers, fishmongers, fruiterers and specialty food providers.

The unique atmosphere of market trading comes to life here in this historic quarter. With vastly improved back of house facilities, market trading in Vic Market's iconic halls and sheds will take centre stage. Renewed facilities and public spaces will enhance familiar rituals of loyal customers by providing better places to meet and enjoy their market community.

Highlights:

Minor refurbishment of historic Dairy Hall (c.1928) to upgrade aging plant and equipment and support expanded public access outside of trading hours.

Minor refurbishment of marketplace's earliest surviving building, the Meat & Fish Hall (c.1869, 1884) to upgrade systems and improve sustainability of operations.

Creation of over 3,000m² of below ground trader back of house area providing facilities, dry and cold storage, and specialised food waste/recycling areas serving the needs of over 100 food traders (butchers, fishmongers and food retailers).

Dismantling and restoration of Sheds H & I during construction of below ground areas, with full reinstatement to continue to support traditional market retailing.

Transformation of old Food Court area (1995).

Enhancement of Deli Lane and Therry Street public spaces.



RETAIL PLAN: QUARTER 1

Quarter 1: Retail Offer

Dairy Hall

The Dairy Hall will be refurbished in a manner befitting its status as one of Melbourne's most intriguing retail landmarks, highlighting it as a key specialty food destination by day and enabling trading, functions and events by evening. Trader businesses will benefit from dedicated staff amenities, cool and dry storage areas and improved operations and waste management facilities located in the Q1 basement.

Deli Lane

Deli Lane's enhancement and weather protection will support day/night use and enable it to be hired for events and functions in conjunction with the Dairy Hall alongside its traditional role as a casual dining and meeting spot. New public amenities in the area will improve the customer experience by day and cater for evening events and casual hospitality in the evenings.

Elizabeth St Terraces

The Elizabeth Street Terraces retail offer will evolve over time with a hospitality focus. Market management's former office in the upper floor will become an office or incubator for food industry and small business.

Meat & Fish Hall

Meat & Fish Hall traders will be encouraged to evolve over time to incorporate a greater focus on value add, take home meals and food cooked on site. The Old Food Court will be repurposed as an annex to the Meat & Fish Hall, providing dining areas for customers to enjoy food fresh from the seller. A major new entrance from Queen Street Plaza will create a sense of arrival and connection to the public areas. Traders in this area will benefit from new below ground food preparation and storage facilities, in addition to the opportunity to receive stock around the clock and utilise the marketplace's major loading dock area to service B2B customers.

Old Food Court

The transformation of the Old Food Court will create a multi-purpose extension

to the Meat & Fish Hall, serving as a licensed area and showcase for the market's fishmongers, butchers and specialty food sellers and a place for customers to experience more of the market produce freshly cooked on site. The combined atrium entrance to the Meat & Fish Hall and new Annex from Queen Street will incorporate a new hospitality tenancy area with the space available for events and functions.

Victoria St Terraces

The retail offer will be rethemed over time to support a value add link with the Meat & Fish Hall and greater emphasis on market fresh produce cooked and consumed on site. Leases will require a percentage of produce to be exclusively sourced from Queen Victoria Market.

Old G Shed

The existing loading dock will be maintained to provide an alternative access point for services and goods to the Q1 below ground area. Relocation and redevelopment of the old public toilets will create an internal courtyard, home to flexible market stalls and perfect for casual dining and occasional functions.

Sheds H & I

Sheds H & I will be removed, refurbished and reinstated to once again feature fixed stalls with fresh produce and specialty foods. Improved below ground infrastructure and back of house facilities will free up the laneway for conversion into additional trading space with weather protection and potential to support Dairy Hall events.

Below Ground - B1

The Q1 Below ground area will be developed to service the needs of Q1's Dairy Hall and Meat & Fish Hall tenants, hosting storage, trader facilities and food preparation areas in addition to supporting a functions/catering preparation area, along with lettable Cheese Room(s) and Aging Rooms. A major new customer amenities area will replace the old H&I toilet block.

Therry St North

Therry Street will be reinvented as an all day public space, with street food vendors and seating areas complemented by new kiosks and café tenancies. This area is an important entry point for customers, connecting to the main entrance to the Q4 below ground car parking area.

RETAIL PLAN: QUARTER 2

Quarter 2: Fresh Traditions

Queen Victoria Market's open air sheds and working heritage provide a quintessential market experience in the heart of the city.

New facilities mean that, despite the challenges of urbanisation and climate change, city dwellers and local businesses can continue to access locally sourced produce from independent traders at Melbourne's Marketplace as they have done for generations. Weather protection, storage and service areas will vastly enhance the experience of doing business, ensuring the continuity of heritage market trading by providing the contemporary back of house facilities and services the next generation of small business start-ups need to thrive.

Highlights:

Provision of major new below ground area supports full restoration of Queen Victoria Market's Sheds A to F (1878) to continue to showcase a diverse range of authentic market trading, with a focus on fresh produce and unique merchandise.

Transfer of three F Shed shops to Traditional Owners and recognition of location of Aboriginal section of former Old Melbourne Cemetery, an Aboriginal cultural heritage place.

Creation of below ground dedicated services area providing market traders with access to the logistic management facilities required to service the needs of both city retail customers and local small business. Includes space for fresh food businesses operations, delivery services, on site dry/cool storage, trader and service vehicle parking, and state of the art sustainable waste and recycling systems.

Creation of Queen Street Plaza, providing a permanent outdoor street market space connecting the Upper and Lower Markets with seasonal programming and evening activation.

Enhancement of prime street frontages at Victoria Street and Peel Street and creation of visitor arrival points.



RETAIL PLAN: QUARTER 2

Quarter 2: Retail Offer

Victoria St Shops

The small shops will be refurbished and the retail offer evolved to integrate with A Shed and create anchor tenancies, with trading and hospitality areas spilling out into the A Shed laneway and flexible open space, enhanced by retractable weather protection.

Sheds A, B, C

Traditional fresh produce trading will be reinvigorated through the provision of contemporary below ground facilities equipping market traders with the necessary facilities to service a broader customer base including local hospitality businesses and other B2B clients. The restored and reinstated heritage sheds will feature upgraded power, weather protection and other services. Market traders will have the option of fixed stalls with a product focus on fresh food that includes bulk, value add, made on site and farm fresh produce. Customers will enjoy convenient access to the Q2 basement car parking, arriving into the heart of the market experience.

Shed D

The western end of D Shed will incorporate the vehicular entry point to the Q2 below ground service facility and customer car parking via Peel Street. D Shed will feature

a customer amenities area along with flexible stalls and fixed stalls for non-food market traders.

Peel Street Edge (A, B, C)

'Insertion' tenancies will be sensitively incorporated into the Peel Street edge of Sheds A, B and C and provide larger footprints and street frontages perfect for food production, micro-brewery, urban dairy and other food/B2B retailing. The sensitive adaptation of this edge of the market's heritage fabric will also serve as a form of weather protection for the western end of Q2.

Shed E

Shed E will continue to evolve as a market dining area with hospitality tenants in adjacent F Shed spilling out into dedicated licensed areas in the western end of the Shed. Upgraded power, weather protection and other services will complement new fixed stalls and hospitality areas with a focus on street food, and specialty merchandise.

F Shed

F Shed will be rethemed over time to include greater focus on hospitality and locally made products. Three shops at the Queen Street end of F Shed (F1, F2 and F3) will be provided to the marketplace's Traditional Owners for their use as an interpretation

centre / retail shop.

Queen St Plaza

The Queen Street Plaza will become the market's permanent outdoor street market and event space. Everyone's favourite American Doughnut Van will be joined by an array of iconic street food vendors including new retail and hospitality kiosks. A new visitor area features a radio broadcasting booth, creating an engaging feature. The plaza hosts flexible stalls by day into programming and events by evening.

Marketplace Trader Operations area

The Q2 Marketplace Trader Operations area is contained on one level and a mezzanine under Sheds A, B and C, outside the perimeter of the former Old Melbourne Cemetery burial zone. 24 hour vehicular access from Peel Street is located via a ramp built into the D Shed structure. The Trader Operations Area is large open floor span with a mezzanine at the western end, and a service corridor connection through to Q1. Box storage is contained within this area, in addition to trader service vehicles, loading dock, waste management and operational facilities. While this area is the foundation of the marketplace's Q2 operation and logistics, it also plays a significant role in enabling the full spectrum of trader businesses to operate in the marketplace's

other key trading areas by facilitating 24hr access to the Q1 basement for deliveries (inbound and outbound), and providing a logistic base to traders from across the marketplace. Its large open span area will cater for the marketplace's current needs and provide the flexibility to adapt to a rapidly changing retail future by providing an efficient, safe and contemporary working environment for the market's hundreds of small businesses. It also forms a critical piece of the integrated approach to the future growth and development of Queen Victoria Market's retail offer in line with contemporary customer requirements, and will be complemented by the marketplace's digital platform and smart technologies giving hundreds of small businesses a competitive edge in the management of city's last km freight.

Q2 Customer car parking

Q2 incorporates below ground customer car parking with a capacity of up to 290 vehicles, accessible via the D Shed vehicle entrance. Customers can enjoy the convenience of emerging within the marketplace via the access points located throughout A, B and C Shed

RETAIL PLAN: QUARTER 2

Summary of infrastructure requirements

Market Trader Operations and customer car parking

The Q2 Marketplace Trader Operations area is contained on one level and a mezzanine under Sheds A, B and C, outside the perimeter of the former Old Melbourne Cemetery burial zone. 24 hour vehicular access from Peel Street is located via ramp built into the D Shed structure. The Trader Operations area is a large open floor span with a mezzanine at the western end, and a service corridor connection through to Q1. Box storage is contained within this area, in addition to trader service vehicles, loading dock, waste management and operational facilities. While this area is the foundation of the marketplace's Q2 operation and logistics, it also plays a significant role in enabling the full spectrum of businesses to operate in Queen Victoria Market's other key trading areas by facilitating 24hr access to the Q1 basement for deliveries (inbound and outbound), and providing a logistic base to traders from across the marketplace.

Its large open span area will cater for the marketplace's current needs and provide the flexibility to adapt to a rapidly changing retail future by providing an efficient, safe and contemporary working environment for the market's hundreds of small businesses. It also forms a critical piece of the integrated approach to the future growth and development of Queen Victoria Market's retail offer in line with contemporary customer requirements, and will be complemented by the marketplace's digital platform and smart technologies giving market businesses a competitive edge in the management of the city's last km freight.

The Q2 Mezzanine and Basement 1 will be dedicated as Marketplace Trader Operations (13,500m²). Key space uses include:

Receiving and Dispatch area - suitable for larger vehicles and including set down area, pallet wrapping and chemical spillage area, transitional storage, and forklift parks and recharge. (1800m²). Nearby would be a dock office and management facilities.

Large waste facility - to accommodate waste separation and recycling facility (as required in the Precinct Sustainability Plan) (600m²).

Storage area for boxes (or their future equivalent) - (1000m² with a potential volume of 2000m³).

B2B/ Wholesale/Last Km Freight business and dispatch area (4500m²).

Vertical transport including goods lifts and lifting platforms located to serve ground level.

Basement is dedicated for up to 290 space Customer Carpark (9000m²).

RETAIL PLAN: QUARTER 3

Quarter 3: Our Third Place

Every city needs a backyard – a place of possibilities and good times.

Melbourne's new Market Square and adjoining Sheds J, K & L will be home to an eclectic blend of market trading, legendary night markets, street food, hospitality and community festivals and events.

Highlights:

The new Market Square and surrounding meeting places provide a focal point for Melbourne's growing CBD north throughout the week from morning to evening.

Starting out as Melbourne's main wholesale fruit & vegetable market in 1923, K&L Sheds not only support a plethora of market traders by day, they are home to Melbourne's legendary Wednesday night market and in doing so provided a launch pad for hundreds of Melbourne food businesses. Upgrades to AV, power and site services will ensure this multi-faceted role can continue.

Merchandise traders combine with specialty markets and street food/hospitality in Sheds J, K & L. Locally sourced produce from the neighbouring sheds will find its way into street food ensuring market visitors feel welcome to linger and browse.

As the marketplace's only non-heritage listed shed, J Shed (1992) receives a creative overhaul to incorporate greening and hospitality service area as a focal point for day and evening activation.

Adaptive reuse of the Franklin Street Stores buildings (1930) will see these merchant stores continue to be part of the marketplace's evolution.

Queens Corner, a new public pavilion will incorporate the Victoria Visitor Centre and associated education centre.



RETAIL PLAN: QUARTER 3

Quarter 3: Retail Offer

J Shed

J Shed's flexibility will be further enhanced by improvements to event infrastructure, lighting, weather protection and the inclusion of a dedicated hospitality service area. The Old Cemetery Wall, one of the marketplace's most significant heritage features will be restored and recognised as an important feature in the interpretation of the site's history. A new tourist bus/coach arrival point will be established at the Peel Street edge of J, K & L Shed, improving the visitor experience for this important customer group.

K&L Shed

K&L Sheds will be restored with new events facilities, structural reinforcement and infrastructure to support flexible use and events programming along with improvements to the day market experience. New floor treatment and updated internal day / night lighting and sound system will lift the atmosphere while retaining the authentic utilitarian quality. Containerised retail at Peel St edge will create an arrival point and provide a sense of enclosure, improving the retail viability of this area. K&L's offer will take advantage of this increased flexibility with merchandise and hospitality trading every day from morning through to evening.

M Shed / String Bean Alley

Interface to Market Square, tenancies and an important interface to Market Square, M Shed will feature tenancies trading two ways including cafes / hospitality kiosks, ATMs and customer amenities. Weather proofing to String Bean Alley will enhance the appeal of this significant east west link.

Market Square

Melbourne's new Market Square will incorporate infrastructure to support market events, festivals as well as serving the local population as major 1.3ha public open space. Its efficiency as a multi-purpose community space is enhanced by an Events Pavilion / Security Control Centre and café tenancy at Peel St edge.

Queens Corner

Queens Corner is a new public building incorporating the Victoria Visitor Centre at ground level, café/hospitality, a Market Education Centre and public toilets / visitor amenities. The upper level contains an events suite and outside broadcast crews area further enhancing the capability of the Market Square to support community festivals and market style events. Queens Corner's retail offer complements its role

as a major visitor information point with tourism related retail, space for regional tourism promotions and functions, launches as well as the inclusion of the market's Cooking School.

Franklin Street Stores

Queen Victoria Market's heritage merchant stores buildings will be retained and reinvented to incorporate retail, galleries, hospitality and other uses reflecting the marketplace's focus on small independent, innovative business offers. Their larger format and double height provides a major opportunity for adaptation and showcasing products and offers that can not be otherwise accommodated within the marketplace, adding a distinctive edge to the Market Square.

Southern Site Development

The Southern site will be subject to a commercial development, including the potential provision of additional customer/trader parking below ground (up to 500 bays). This parking area could play an important role during Market Square events, affording the opportunity to temporarily close New Franklin Street to through

traffic without compromising access to parking spaces, in addition to enabling a coordinated approach to traffic management across the marketplace's three customer car parking areas during peak periods.

RETAIL PLAN: QUARTER 4

Quarter 4: City Local

Where the market meets the city, a starting and finishing point for a Melbourne experience and a local haunt.

Ground floor retail

Small shops create a 'Melbourne style' laneway experience seamlessly integrating with Quarter 4's existing heritage laneway network and retained heritage building. Q4's ground level is where the city meets the marketplace, with the customer car parking entry acting as a major arrival point for many customers.

Basement car parking

One of the marketplace's customer car parking areas is conveniently located in the basement of Q4, providing shoppers easy access to Q1 as well as linking into child care facilities and other community spaces in the levels above. This forms part of the car parking required to meet the minimum requirements of the State Government Agreement to provide replacement car parking for Queen Victoria Market's open lot car park and will enable this area to be transformed into 1.3ha of open space.

Bistro

The former Mercat Cross Hotel is reinvented as Queen Victoria Market's welcoming bistro, with views across the Market Cross serving up market fresh produce, welcoming locals and visitors with traditional hospitality. A local favourite or a place to relax after a day spent exploring the sheds, the Bistro is an ideal meeting place at the market .

Note: Potential lease revenue from Quarter 4 is not included in the financial forecast.