

Business Improvement Districts (BIDs)



What are the
opportunities and
what makes them
work?

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What are Business Improvement Districts?

BIDs are place-based partnerships between local government, the community, and business. Within a BID, partners work together for the common goal of improving local spaces.

A BID is created for a defined geographical area, such as a commercial district, in which property and/or business owners agree to make a collective contribution (e.g., a levy) to the area's maintenance, development and promotion.

BIDs are appealing because they provide a legal and democratic mechanism as well as a reliable funding source for supplemental services and programs that can enhance appeal and demand, ranging from streetscape improvements to public safety to marketing of a neighbourhood brand.

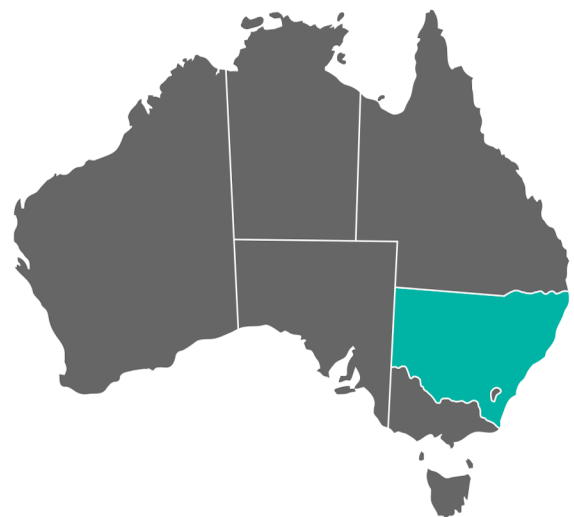


What are Business Improvement Districts?



The NSW Government is looking at BIDs to enhance the local trading environment, encourage economic growth and foster community collaboration. The state already has one BID: the New Sydney Waterfront Company, located in the Western Harbour.

The NSW Government is also considering a BID Pilot Program to fund trials of business-led, place-based partnerships and governance models across the state.



What makes them work?

The following questions should be explored during the planning and development of BIDs to maximise economic and social benefits.



Foundation and membership



- What is the process for establishing the BID? (e.g., a majority of business owners in a jurisdiction vote to create a BID and contribute payments) How can new participants join and what are the criteria?
- What are the objectives of the BID, as agreed on by its participants? Does the BID aim to address specific challenges?
- Are participants wide-reaching and representative of the local area?

Location, identity and promotion



- How can the BID promote what makes its area special and unique to locals and visitors?
- Are participants wide-reaching and representative of the BID area?
- How should local conditions (e.g., existing challenges, historic or projected growth, quality of infrastructure and local amenities, connectivity) affect the BID objectives and activities?

Funding and cost-effectiveness



- How much funding is available and/or required to deliver BID activities?
- What types of BID activities deliver the best value for money or are most needed to supplement existing public services?
- What different funding approaches should be explored and tested? How can the BID leverage multiple funding sources? (e.g., levies, contracts and commercial activities, fundraising, grants)
- Is there a plan or strategy in place to ensure the BID has sufficient funding?
- How can the BID ensure that participants with the least resources or greatest risk (e.g., small businesses and property owners) do not have to contribute excessive amounts?

Partnerships and governance



- Who are the leaders or governing body of the BID?
- Who is responsible for managing the operations and funds of the BID?
- What is the process by which the BID forms external partnerships?
- What support can the BID seek from government? (e.g., additional funding for BID operations, partnerships with tourism agencies for promotional activities)
- Does the governance arrangement for the BID provide accountability?

Engagement



- What is the BID's process for stakeholder and community engagement?
- How can the BID ensure its activities receive community support?
- How will the BID collaborate with stakeholders? (e.g., community forum, meetings of existing business associations or councils)

Legal framework and operations



- Is the BID provided for under specific legislation or auspiced by government policy?
- What different legislative, policy and/or regulatory amendments could reduce red tape and simplify processes to establish and operate BIDs?
- What do BID operations look like in practice? (e.g., dedicated office space and administrative staff, formal founding document or charter, regular meeting schedule, website, accounts for funding streams)
- What measures can the BID take to mitigate legal and operational risks?

Measuring success



- Are the benefits provided by BID activities measurable and achievable? Does the right data exist to measure benefits realisation?
- Are the BID's participants seeking the same outcome or different outcomes? Do they have different metrics for success? Who is accountable for performance?
- What lessons can be learned from the BID to help guarantee the success of future BIDs?

Case studies

Cities all over the world have different types of BIDs that can serve as models for Australia. The following pages highlight two examples.



Auckland, New Zealand

Auckland Council runs a BID Programme in accordance with its BID Policy. Auckland currently has 50 BIDs, which are primarily funded by a targeted rate on property owners and represent more than 25,000 businesses.

The activities of Auckland's BIDs are notably diverse. The largest BIDs, including Heart of the City (city centre), the Newmarket Business Association (NBA) and the Takapuna Beach Business Association (TBBA), are active in urban planning, business networking and development, and national and international promotion. With multi-sector support, the TBBA runs 'Techapuna', an initiative to attract high-tech companies, start-ups and talent to the BID area's innovation corridor.



New York City, U.S.A.

NYC ranks in the top three cities globally for the most BIDs, with 76 to date. Collectively, these BIDs invest over \$187 million USD in NYC neighbourhoods annually and primarily derive their income from levies. The NYC BID Association, a non-profit membership organisation comprised of BID leaders, provides communication, coordination and advocacy for BIDs across the city.

The Times Square Alliance, one of the city's largest BIDs, has leveraged diverse funding sources to help transform one of NYC's most famous locations. The Alliance provides core public safety and sanitation services, promotes local businesses, encourages economic development and public improvements, coordinates major events, curates and presents public arts projects, and advocates on public policy, planning and quality-of-life issues.



How we can help

We have the expertise to help clients explore opportunities for BIDs and take steps to turn findings into reality.



Our services include:

- **Strategy and implementation** to turn clients' visions for place-based partnerships and transformation into achievable plans, with BID activities serve local businesses and build on existing efforts.
- **Peer review** and **SWOT analysis** to compare and learn lessons from existing BIDs as well as the policies and programs that support them.
- **Stakeholder engagement** to gather views on BIDs, understand opportunities and issues, identify public and private partners and build community alignment.
- **Pilot site selection methodology** and **multi-criteria analysis** to prioritise and determine the optimal sites for establishing new BIDs and trialling activities.
- **Data analysis** to understand BID locations (e.g., neighbourhood or community profiles) and make evidence-based decisions.
- **Business cases and economic analysis** to justify investment in new BIDs and ensure financial stability.
- **Benefit management plans** for monitoring and evaluating BID activities, determining whether BID objectives are achieved and informing future BIDs.
- **Project management** to help clients and stakeholders deliver pilot programs.

Questions? Hadron Group can help.

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