
Business Improvement Districts



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Wellington City Council
Me Heke Ki Pōneke

What is a BID?

A Business Improvement District (BID) is a legally defined partnership for area improvement and service delivery. BIDs bring local businesses and other stakeholders together to improve their trading environment and enhance their profitability.

A successful BID is one that provides a strong response to local needs and priorities. It is driven by a partnership of local champions, those that know and understand their communities and have a passion to control their own destinies.

A BID is supported by a targeted rate, levied on and collected from non-residential properties within the defined boundary.

There are currently five BIDs in Wellington, in Miramar, Khandallah, Tawa, Kilbirnie, and Karori. These BIDs represent over 304 businesses, with a combined capital value estimated at \$475m (up to June 2019).

“Tawa has thrived since we formed a BID. It’s like we’ve announced “We are open for business.”

“There is also a greater sense of belonging amongst business owners, and we are really starting to gain momentum with projects that make a real difference to our members.”

Ant Simon, Tawa BID

BID benefits

The benefits of BIDs are wide-ranging and include:

- businesses decide and direct what they want in their area,
- businesses are represented and have a voice in issues affecting their trading area,
- BID levy money is ring-fenced for use in the BID area,
- increased footfall and spend,
- enhanced marketing and promotion,
- guidance in place shaping vision activities,
- facilitated networking opportunities with neighbouring businesses, and
- assistance in dealing with the Council, Police and other public bodies.

BIDs support their local area in a number of ways:

- **Marketing activity - raising a town or city's profile;** BIDs work hard to create a real buzz and a positive image for their district.

They strategise new ways to attract more visitors which will, in turn, support the area's economy.

- **Leading environmental and sustainability practices;** BIDs are often heavily involved in green and infrastructure projects, making the location more attractive to visitors - driving repeat visits.
- **Encouraging development and regeneration projects;** BIDs work hard to ensure new developments can get underway and all businesses are equipped to capitalise from them. A BID strives to make a town a better place to work, live and visit - developments often encourage more visitors so a BID's strategy ensures that the city fully maximises off the opportunities.
- **Enablers of events/projects;** BIDs create events to encourage higher foot traffic and help build awareness.

“We had no doubt the BIDs will make a real difference and help businesses to thrive. Working together is the way forward.”

Phil Becker, Wellington City Council

How a BID works

All BID programmes should develop an in-depth understanding of the particular needs of their business community. The BID policy allows for a wide range of activities that could be undertaken with the provisos that the activities:

- align with Wellington City Council's strategic objectives and priorities,
- are relevant for their business community, and
- are not already being undertaken as part of the Council's responsibilities under the general rating provision.

This programme creates a partnership between the Council and business associations, which are separate entities.

Establishing a BID

Establishing a BID requires gathering support from the local business community, and deciding what area the BID would apply to and what outcomes the targeted rate would be used to achieve. A legal entity is then set up to administer the BID which would work with the Council to organise a vote by businesses and make an application to the Council for the targeted rate to be included in the Council's next Annual Plan. A more detailed description of what is required is set out in the BID Policy.

Running a BID

Running a BID programme represents an excellent opportunity to help your community grow economically and help attract new customers and businesses into the neighbourhood. However, there is a lot of behind-the-scenes work that goes into each successful BID, including:

- complying with its constitution and the BID policy,
- complying with all other relevant laws and regulations,
- maintaining proper meeting and accounting records,
- demonstrating how the targeted rate and grant money is used, and make such records available to the Council on request,
- holding an Annual General Meeting,
- preparing and submitting audit, survey and reports,
- setting and maintaining a BID Policy,
- BID rates and budgeting, and
- managing roles and responsibilities.



BID funding

Funding for each BID programme comes from a targeted rate charged towards commercial landowners within the BID area. The Council makes these funds available for the business association to use on activities that promote economic growth in their area. We are keen to develop successful business districts and encourage the establishment of BIDs in areas that have significant development potential. We prioritise areas with the greatest potential to boost regional economic prosperity.

The Policy sets out in detail the criteria and process requirements.

This policy provides guidance for prospective BIDs, and describes the role of Wellington City Council which is required to approve any BID and collect the associated targeted rates.

The policy addresses:

- the responsibilities of the Council and BID associations,
- the objectives that a BID must meet,
- the process to establish a BID,
- the operation of a BID, and
- managing the performance of a BID.



“The Kilbirnie BID has improved the look, feel and profile of the area. We’ve had a real impact on the issues of a liquor ban and begging, are informed and consulted by City and Regional Councils on matters such as cycle ways and bus changes, have organised an annual Santa parade, commissioned professional murals at both ends of the main street, and we provide regular business-related information to our members. None of those could have happened without the effort and funds of the Kilbirnie BID.”

Jo Morris, Kilbirnie BID



Frequently asked questions

Who are the eligible voters?

Voting qualification is based on the principle of ‘one entity - one vote’, an entity being a commercial ratepayer and/or a business/occupier.

A list of eligible voters is compiled, which includes both commercial ratepayers and property owners. The proponents of a BID are required to identify all businesses operating within the BID boundary and located on commercial rated property, examples could be:

- any commercial / business rated property in the district (BID boundary).
- industrial / manufacturing rated property, or
- any other business activities operating on any property.

What is the Council’s role in the BID?

The Council supports BIDS by working alongside them to achieve their objectives. Using its authority under the Local Government Rating Act, the Council collects a target rate from BID property owners. The money collected is passed to the BID to fund initiatives.

What properties does the target rate apply to?

The targeted rate that funds a BID only applies to commercial rated properties in the district and excludes properties such as schools and government property. The Council is accountable for the collection and payment of the BID targeted rate amount to individual BID associations, and ensuring the targeted rate collected is spent as intended. The BID targeted rate may only be applied to the agreed activities of the BID association.

Why do we have to pay this amount?

As with any business, in order to deliver the proposals in the business plan, the BID association needs working capital. The levy will be spent on additional activities such as bringing visitors into town to encourage residents to spend more time and money in the BID area, supporting business growth. Many of the businesses say they consider it as a marketing investment to drive more customers into the area.

I am a business owner, not a property owner, will I pay?

Whether you pay as a business or property tenant, depends on your lease arrangements with the property.

Who determines the BID boundaries?

The Council works together with the BID committee to determine the boundaries within which the targeted rate will be collected.

Can we expand the BID boundaries?

A BID may be expanded to include adjoining areas not included in the original proposal. Where the BID is to be expanded, the BID association must arrange for a poll to be conducted in the expansion area only. In the event of a BID boundary being reduced, a poll is conducted for the whole BID area because this change implies a reduction in budget for the whole programme.

Are the BIDs effective?

Yes, they are effective in so many ways, such as marketing activities, environment and sustainability practices along with encouraging development and regeneration projects.

Aren't these services already provided by the Council?

No. The services provided under the Business Improvement District are additional services not already provided by the Council or enhancements to existing services.

Is the BID permanent?

No, the targeted rate can be dissolved by the BID association and the Council at any time.

What happens with empty properties?

The property owner gets to vote on the BID, and remains liable for the BID levy.

“Enterprise Miramar Peninsula Inc.(Miramar BID), has been in existence since 2013. After finding our feet, we are now working through several projects to enhance the area and bring in more visitors, meaning more income for the local businesses, and promoting Miramar Peninsula as a destination for new businesses.

“We’ve worked with the Council on projects which have been of important to us like free Wi-Fi, bike racks and Fix-it stands. We also instigated the clean-up of the airport underpass, commissioned the scenes that are on the Miramar Ave bus stops, assisted the community in sorting out problems with leaking pipes in roads, and put up murals in the Cutting.”

Mary Anderson, Miramar BID

“The Khandallah BID strives to enhance, maintain and develop Khandallah Village amenities. It has recently provided a free access Wi-Fi service and installed a six-camera, cloud-based CCTV security system with number plate recognition capability day and night. Khandallah BID also supports annual events including the Khandallah Village Street Fair, Christmas carol singing and the Christmas Decoration display. We also work with Wellington City Council to maintain footpaths and crossings for the benefit and safety of pedestrians. Khandallah BID is continually working to engage with businesses in Khandallah for the good of the local business community.”

Warren Honeyfield, Khandallah BID



BID projects and services range from creating a cleaner and safer environment to marketing and promotion to attract new visitors to town.

For more information visit www.wellington.govt.nz/BID or email wellingtonbid@wcc.govt.nz