

A BID FOR ONE

UNIFIED

Kilbirnie / Lyall Bay / Rongotai
Business Improvement District



“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
 Chairperson
 Kilbirnie Business Network

You told us:

The main challenges facing your business are:

- Crime and safety concerns
- Traffic accessibility and parking issues in and around Rongotai and Kilbirnie
- Competition from other retail areas and dropping customer numbers
- Unattractiveness and lack of appeal of the area
- Lack of variety and quality of shops
- Increasing compliance costs
- Not being heard by Council and Government

How a BID can help solve these issues:

- Address crime concerns by introducing a security patrol
- Advocating and implementing solutions to improve parking / transport access
- Create events and promotions to attract more customers and clients
- Greater business opportunities
- Regular business networking events
- Better promotion of our area
- Greater online presence for member businesses
- Regular information and updates on local matters

HOW WE GOT HERE

Since 2015 the Kilbirnie Business Network has worked to improve business outcomes, with some significant successes. However, by 2020 it had become clear that the success of Kilbirnie’s business community was strongly connected to the success of businesses in neighbouring Lyall Bay and Rongotai. The Kilbirnie Business Network could see benefits from marketing the area as a whole, and decided to explore the potential of an enlarged business association.

ENGAGING BUSINESSES ABOUT THE OPPORTUNITY

In 2020 the Kilbirnie Business Network undertook a series of interviews and events to gauge the interest of local business people about a combined business association. There was a high degree of support shown by those involved.

OUR PROPOSAL

The Kilbirnie Business Network now proposes to expand its Business Improvement District (BID) boundary to include businesses and commercial properties in Lyall Bay and Rongotai. Subject to a ballot of businesses and property owners in the area in March this year, this enlarged BID would more effectively promote the interests of businesses in the Kilbirnie, Rongotai and Lyall Bay area.

OUR SHARED VISION

Wellington’s bayside neighbourhood where businesses and communities partner to provide the best experiences for locals and visitors.



What is a Business Improvement District?

The Business Improvement District (BID) programme is a public-private partnership between Wellington City Council and business associations that have committed to develop a local business environment.

Established in 2013, this programme has over 304 businesses involved in five BIDs across Wellington City's suburbs.

The combined capital value is estimated at almost \$500 million - BIDs are supported by a targeted rate, levied on and collected from non-residential properties within a defined boundary.

Benefits of a BID

The BID programme brings local businesses and other stakeholders together to improve the strength of local communities to create sociable, safe and accessible destinations.

BID programmes are driven by a partnership of local champions who understand their communities and have a passion for their local business district.

Benefits 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 specific to the needs of the BID area
- Create activity to increase foot traffic in local business centres
- Enhanced marketing and promotion
- Facilitated networking opportunities with neighbouring businesses
- Assistance in dealing with key strategic partners such as Wellington City Council and NZ Police.

Proposed Kilbirnie, Lyall Bay and Rongotai Business Improvement District



WHAT HAS THE KILBIRNIE BID ACHIEVED OVER THE LAST 12 MONTHS?

Response to the Covid-19 pandemic - The resulting nationwide lockdowns proved to be a challenging time for our members. KBN provided support through regular emails to members ensuring they had the most up to date information relating to trading requirements under various levels, how to access wage subsidies and other government support and ensuring that all businesses were displaying QR Code posters. We also conducted an online audit and have been working with businesses to help them move to online ordering and sales.

Advocacy with Wellington City Council – KBN has taken the lead on advocating for and providing feedback on a number of projects and initiatives this year including submitting on the Annual Plan, and successfully halting the proposed “temporary” installation of cycle lanes along both sides of Onepu Rd which would have seen the removal of on-street carparks.

Christmas Parade - Our third parade was held at the beginning of December last year with thousands turning up to see the various colourful floats and participants in the parade. Despite the rain on the day, a popular addition was the addition of post-parade entertainment in and around Bay Rd and the Community Centre.

Murals – A number of colourful and decorative murals have been established around the area by the KBN as part of its Kilbirnie beautification project.

Google AdWords – We have commenced a Google AdWords campaign to direct people searching for local business services to our website and then linking to individual business listings.

Newsletters – We have produced quarterly newsletters which were distributed to all businesses and other key stakeholders. These printed newsletters are designed to keep members up to date with what is happening and provides us with an excellent opportunity to gain feedback as we hand deliver these.

Website - We have continued to maintain our website which allows visitors to view the site across multiple devices and includes information about what’s happening in the area, a business directory for all members and a calendar of events. This is supported by the Kilbirnie Shopping Centre Facebook page that links to local businesses and acts as a portal for local social media activity.

HOW THE BID BENEFITS YOU AND YOUR BUSINESS

More profitable business area: A combined Kilbirnie, Lyall Bay and Rongotai business association will be dedicated to making it easier, safer and more profitable to run a business in our local area.

Destination of choice: For our local residents and visitors, it will ensure our area is the place of choice for socialising, shopping and entertainment into the future.

Stronger advocacy: A strong voice to advocate with local government and other key agencies on matters of importance to our area.

A unified brand: Opportunity to build a unified brand that will attract people into the area, generating business growth.

More customers: Attracting more customers through coordinated marketing and promotional efforts for the whole business district.

Professional management: A professional management team to implement our plan and reduce the load on volunteers.

Improved networking: Networking opportunities with both business and community groups.

Community connection: Strengthening the relationship with our local residents to better service their needs.



Kilbirnie Business Network Committee 2020

SHARED VISION & PRIORITIES

SHARED VISION:

Wellington's bayside neighbourhood where businesses and communities partner to provide the best experiences for locals and visitors.

Proposed strategic opportunities for 2021-2022

This shared vision and these opportunities were identified through engagement with business owners in 2020. These would be adopted in the strategic plan for the enlarged BID if the poll of commercial property owners and tenants in the Lyall Bay and Rongotai area approves the expansion.

Priorities:	Marketing	Advocacy	
Initiatives:	Unified Identity: Develop an identity that reinforces the district as an exciting destination for visitors and an important hub for residents of the Eastern Suburbs and Southern Suburbs.	Progressive Development: Strengthen collaboration between commercial landlords and tenants to support progressive development for the district.	Accessibility: Form a unified voice to advocate for better accessibility in and out of the area.

Networking & Collaboration	Facilities	Activities	Events
Connectivity: Establish connections across the business community through valuable networking events which uncover opportunities for collaboration. e.g. encouraging referrals, pooling procurement.	Sports Facilities Alliance: Leverage the local sports amenities (including the ASB Sports Arena, Aquatic Centre, Poneke Rugby Club, and Lyall Bay Surf Life-saving Club) for the benefit of local businesses.	Nightlife after 5pm: Undertake efforts across the district to enhance the evening customer experience.	Flagship Event: Develop an event that celebrates the uniqueness of the beach and coastal area, appeals to local residents and draws people into the area.



HOW A BID CAN HELP YOUR BUSINESS

- Engage a security company to provide a security presence in the area.
- Increase trade by providing business to business networking and marketing opportunities.
- Represent and advocate on behalf of all businesses to provide a unified voice for the Kilbirnie / Lyall Bay / Rongotai area.
- Provide specialist workshops for businesses wishing to develop export or import markets.
- Investigate solutions to reduce compliance costs.
- Attract more customers and clients by developing trade marketing initiatives.
- Generate media PR for businesses.
- Attract more clients by upgrading the area to make it easier and more pleasant for people to do business with you.
- Enable the sharing of ideas and skills through business networking.
- Address accessibility and parking issues.
- Provide better access to training options and providers.
- Work on behalf of retailers to provide group discounts and savings.
- Run and/or support events that bring more people to the area.
- Work with Wellington City Council to create a secure, safe and attractive commercial area.
- Get local businesses doing more business with each other.
- Increase the number of potential customers by running area marketing campaigns.



Your Money. Your Choice.

Business Improvement District (BID) funds can only be used to deliver a set of measured and monitored activities that are voted on by businesses within the BID. The BID and the projects undertaken do not and cannot replace those services statutorily provided by public sector agencies like Wellington City Council, NZTA or the Police.

The BID targeted rate is charged to commercial property owners within the BID boundary via their Wellington City Council rates bill. Landlords may then pass this rate (or a portion thereof) to business tenants under the terms of their lease.

The BID receives 100% of the targeted rate which is collected by Council on behalf of the BID programme.

We believe a budget of \$150K per year (KBN has a current targeted rate of \$80,000) is required to provide real benefits to businesses in the Lyall Bay, Kilbirnie and Rongotai business area. The Kilbirnie Business Network is currently the registered incorporated society set up to operate and manage the Kilbirnie BID Partnership Programme with Wellington City Council.

Subject to a successful expansion ballot, all business owners and commercial landlords will have an opportunity to stand for election to the Executive Committee of the expanded business group and provide feedback into a proposed budget and programme for the 2021/22 year and a new name for the unified Business Association.

If your commercial property or business is located within the red line on the map on page 5 (not including businesses already in the Kilbirnie BID) we are seeking your support for your interests to be represented within the unified Lyall Bay, Rongotai and Kilbirnie Business Improvement District (BID) programme by voting yes on your ballot paper which will be sent out in early March. Voting can be done either online, or by returning your voting paper by mail.

HOW THE BID WILL BE FUNDED

The BID targeted rate is charged to commercial property owners within the BID boundary via their Wellington City Council rates bill. Landlords may then pass this rate (or a portion thereof) on to business tenants under the terms of their lease.

The annual targeted rate is based on a \$500 fixed charge per individually rated commercial property and a small percentage of their property's capital value (CV) to collectively reach a budget of \$150,000. The exact percentage (currently 0.000127047%) may vary slightly depending on changes to the number of businesses operating within the boundary or on council property valuations.

There are approximately 100 individual properties in the proposed BID expanded area (140 businesses) meaning an average BID targeted rate of \$250 per property per annum (bearing in mind that many properties have more than one tenant as shown in the examples below).

BID rate = \$500 + 0.000127047% x CV of commercially rated property

Example: A property has a Capital Value of \$1,000,000:

$\$500 + (0.000127047\% \times \$1,000,000) = \$627.00$ per annum

In a building where there is more than one tenant, each business may pay less.

The example below assumes a property CV of \$1,000,000 with multiple tenants who share the rate charges equally:



1 tenant =

\$627 per tenant per annum OR

\$156 per tenant per quarter OR

\$52 per tenant per month



2 tenants =

\$313 per tenant per annum OR

\$78 per tenant per quarter OR

\$26 per tenant per month



4 tenants =

\$156 per tenant per annum OR

\$39 per tenant per quarter OR

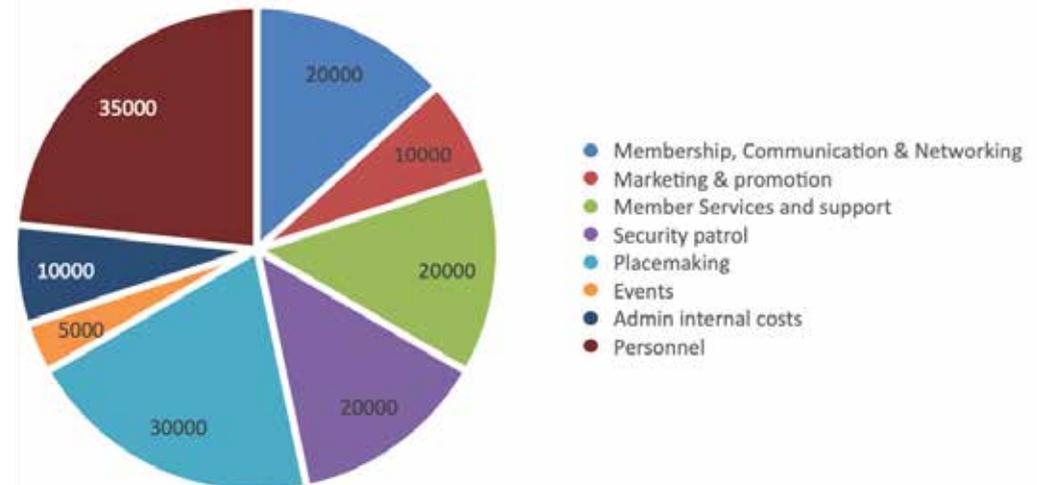
\$13 per tenant per month

PROPOSED BID EXPENDITURE

To give you an idea of how the BID money could be spent if the Kilbirnie BID is expanded, we have proposed the following budget. It will be up to local businesses and the Committee to consider and confirm the priorities and projects for the following 12 months.

Another strength of BIDs is their ability to leverage additional funding. The Committee can decide to supplement its base revenue by seeking extra funding through grants, donations and sponsorship for specific projects.

Membership, communication and networking	\$20,000
Marketing and Promotion	\$10,000
Member services and support	\$20,000
Security Patrol	\$20,000
Placemaking	\$30,000
Events	\$5,000
Admin internal costs	\$10,000
Personnel	\$35,000
TOTAL	\$150,000



FREQUENTLY ASKED QUESTIONS:

BUSINESSES ALREADY PAY RATES. WHY SHOULD WE PAY MORE?

A targeted rate is a specific levy for additional local projects within the BID boundary which enhance the local business area and support economic development. These initiatives are delivered and managed on behalf of our members by the business association. While this targeted rate is collected by Wellington City Council (via the rating mechanism) 100% of these funds are passed to the Business Association to spend on initiatives and projects agreed by their members.

HOW MUCH WILL WE PAY?

The BID targeted rate is charged to commercial property owners within the BID boundary via their Council rates bill. Landlords may then pass this rate (or a portion thereof) onto business tenants under the terms of their lease.

WHO CAN VOTE?

The Eligible Voters List is a combination of commercial property owners and commercial tenants in the proposed expansion area. The Eligible Voters List is based on the principle of one business entity – one vote, or one person – one vote. This means that all parties who will benefit from the Business Improvement District expansion will have the chance to vote YES.

If you are a commercial property owner or a legitimate business operating within the BID boundary you will get a chance to vote on whether you support establishing a BID or not.



HOW MANY VOTES ARE NEEDED FOR A SUCCESSFUL BALLOT?

In order for the ballot to be considered, the Wellington City Council needs to receive at least 25% of ballot papers returned, and of those a minimum of 51% of votes must be in favour of a BID Partnership Programme and BID targeted rate. If the vote is successful, the BID rate (like any other commercial rate), will be mandatory on all commercial properties within the boundary.

HOW DO YOU VOTE AND WHEN?

All eligible voters will receive, by post, a postal ballot voting form. You may vote either online or by returning your paper in the mail. If you believe you are eligible to vote, and do not receive a voting ballot, you can contact Wellington City Council and they will send you one.

**The ballot voting period commences 1 March 2021
and closes 15 March 2021.**

This ballot is conducted by Wellington City Council on behalf of the Kilbirnie Business Network.

If successful, the BID rate will apply from 1 July 2021.

If you have any questions about the BID process, contact:

Gary Holmes

Manager of the Kilbirnie Business Network

0274 966 283 / email: manager@kilbirnie.org.nz

Wellington City Council BID policy and Partnership matters:

Rula Awad

027 803 0593 / email: rula.awad@wcc.govt.nz





KILBIRNIE