



CITYWIDE BUSINESS IMPROVEMENT DISTRICTS

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COMMUNITY GROWTH - PROPERTY & ECONOMIC DEVELOPMENT

POLICY OBJECTIVES

To support local businesses to maintain, promote and develop their commercial districts to encourage people to spend more time and money there.

POLICY STATEMENT

- 1 To implement Central Coast Regional Strategy recommendations for revitalising identified town centres and villages as a vital element in supporting job security and the creation of new jobs
- 2 To improve amenity in towns and villages to enhance the quality of life for residents and the visitor experience for visitors and tourists.
- 3 To provide a framework for seed funding for Business Improvement Districts.

PROCEDURE

This procedure, being an administrative process, may be altered as necessary by the Chief Executive Officer.

Intent of the Procedure

The Citywide Business Improvement District (BID) policy for Gosford provides a transparent and accountable procedure to deliver measurable benefits over the medium term. It is flexible to accommodate the specific characteristics of each town centre and village that chooses to avail itself of the policy and to recognise the limited resources available within the community and to Council to apply to the BIDs program.

Funding

Therefore, seed funding will be provided out of the Special Business and Tourism Levy at a rate of up to \$25,000 per individual BID for a period of up to 3 years. This levy is paid by all commercial properties in the LGA and is required to be invested in the development of tourism and business. Providing seed funding out of this levy is therefore in keeping with the "self-help" principle and spirit of BIDs.

It would be expected that BIDs would seek other sources of funding as appropriate.

It would be a condition of funding that the BID would implement a plan to become self-funding at the end of the seed funding period. A BID would need to demonstrate success during the period of seed funding to build wide support from the local business community so that it may proceed to seek funding from the commercial property owners through a special rate increase or other funding means, such as significant membership fees.

Council would only agree to consider sponsoring a ballot of commercial property owners within a district for any special compulsory levy after 3 years of operation, demonstrated success and demonstrated support from the business community of at least 75% of commercial property owners paying at least 75% of the aggregate of the levy.

Eligibility

BIDs will only be recognised by Council and be eligible for seed funding if commercial property owners and business people within a commercial district establish a formal incorporated member-based non-profit association, similar to the Gosford Business Improvement District Association Inc or the Ettalong Beach Business Group Inc. All commercial property owners and business operators in the commercial district must be eligible to join the association as full members. Council would encourage each association to have an associate member category to enable interested community members and residents to join and help in the revitalisation process.

Council would expect a non-profit association to have been in existence for at least one year before it would be eligible for seed funding. This would demonstrate stability and commitment of businesses in the commercial centre.

Council will support only one BID per commercial district. It is proposed that a substantial number of eligible businesses should be members of the BID Association in order to qualify for seed funding and Council support. This would demonstrate broad business support for the BID. In the unlikely event that two groups from one centre proposed a BID, support would only be provided to that group which had membership of 75% of eligible businesses and commercial property owners.

The number of eligible businesses is to be agreed with Council, but generally they are to be within the footprint of the commercial district and based on the number of properties and of active retail and service outlets. If there is any dispute about this number, Council will make a determination.

Shopping malls will be included in a BID only if they are part of a larger association of businesses in a commercial district. Malls alone cannot be BIDs, and mall tenants should constitute less than 50% of BID association membership, unless there is a compelling reason to vary this requirement. Malls are excluded because they operate under a single 'centre' management which performs all the functions of a BID.

Consultation

It will be required of BID proponents that they demonstrate they have meaningfully consulted the local business community and have a broad spread of support within the commercial district. At a minimum, Council would wish to see evidence that a public meeting has been held and that details of the BID proposal have been effectively communicated to the business community.

Transparency and Accountability

Each BID Association must present a business plan each year that sets out anticipated activities for the year ahead, with agreed short term targets and key

performance indicators. The extent to which KPIs have been achieved will influence future support by Council. Within 3 months of the end of the financial year, the BID Association must produce an audited set of accounts.

Council will examine in particular any issues that may be, or be seen to be, in breach of probity during the seed funding period. These might include, for example, related party transactions that have not been through a robust procurement process. Should issues of accountability or transparency arise Council reserves the right to require a formal review.

Qualifying Commercial Districts

The Central Coast Regional Strategy identifies Erina and Woy Woy as town centres (defined as having more than 50 shops), and Avoca Beach, East Gosford, Ettalong Beach, Kincumber, Lisarow, Niagara Park, Terrigal, Umina Beach, West Gosford and Wyoming as villages (defined as having between 11 and 50 shops). It is proposed that these centres, with the exceptions noted below, be eligible to establish a BID. It is considered there are too few shops and commercial premises in smaller centres for BIDs to be viable.

Given they are dominated by single-manager malls, West Gosford, Niagara Park and Lisarow would not be eligible. There would therefore be 8 qualifying centres, in addition to the City Centre.

BIDs' Key Performance Indicator

Key performance indicators will be negotiated on a case by case basis with each BID proponent. These will in general be set so as to measure whether there has been an overall increase in the level of activity within the commercial district, as well as measuring the performance of the BID association itself.

Review

Each Gosford LGA BID should demonstrate broad support for renewal/continuing after 5 years of self funding, if that funding is raised through a special levy, and further reviews to be undertaken after each subsequent 5 year period or a lesser period should exceptional circumstances arise. If the funding is raised through membership fees, no review period would be necessary.

Council Seed Funding Budget and Limits

Council reserves the right to determine the timing of the provision of seed funding to new BID start-ups at its absolute discretion so as to ensure the integrity of its budget position.

A working guideline is that no more than 3 BIDs would receive seed funding at any one time. If there were more than 3 groups seeking BID support, the fourth and subsequent groups would be required to await the transitioning of an existing seed-funded group to self funding.

(Min 2010/496 - 6 July 2010)

(Min No 2013/388 - 16 July 2013 - Review of Policies)