

# Business Improvement Districts (BIDs) – Public-private Partnerships for Livable Cities

Heiner Schote Hamburg Chamber of Commerce





#### What led us do discuss BIDs?

#### Successful retailers

- offer the right range of goods
- offer a certain service
- are located in the right place





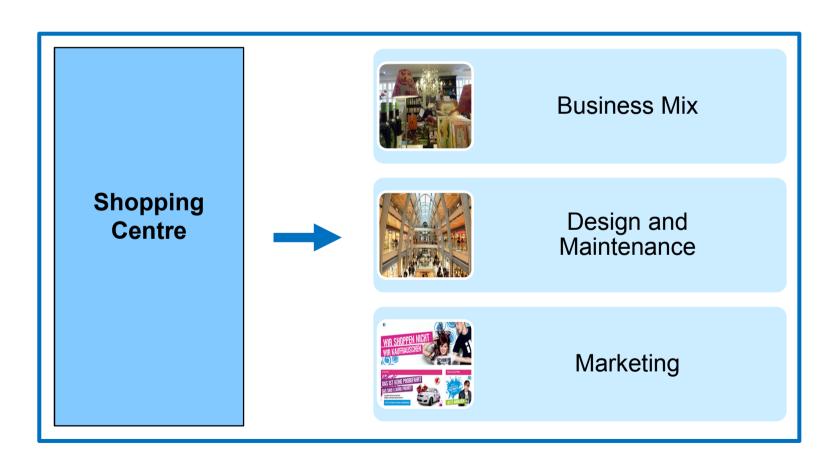


Thomas I Punkt, Mönckebergstraße, Optik Weser, Spitalerstraße (photo: Schote)





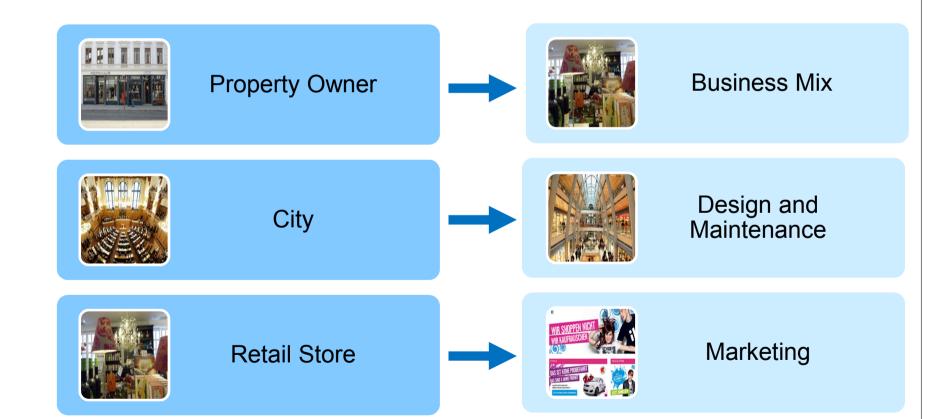
# How is a Shopping Centre operated?





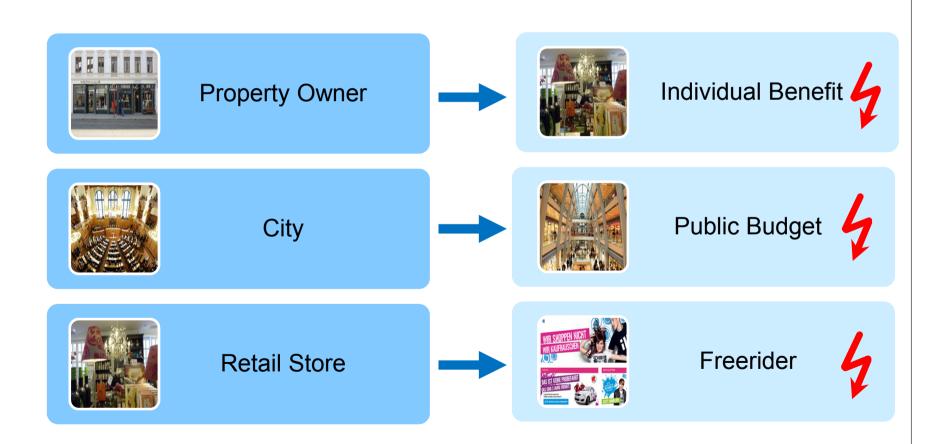


# **Functionality of a Commercial Street**





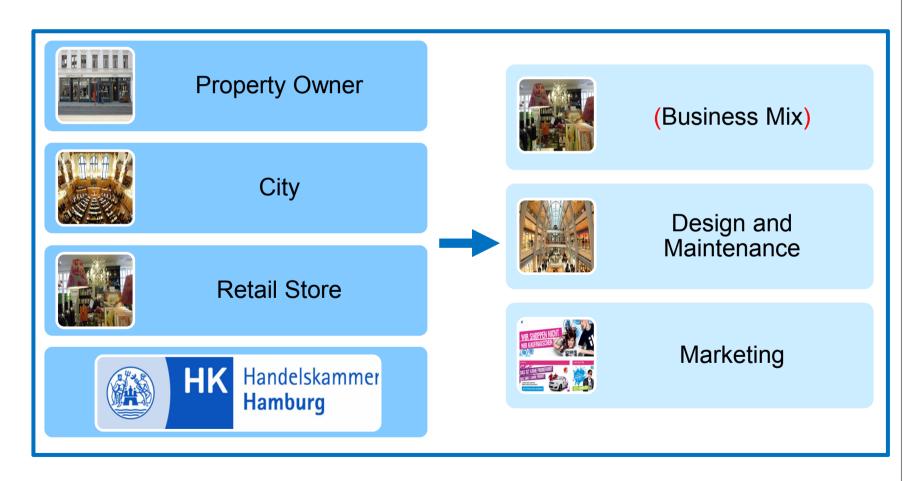
# **Functionality of a Commercial Street**







# **Functionality of BIDs**







#### **Business Improvement Districts are...**

- ...urban planning instrument to increase attractiveness, to strengthen and to revitalize central city areas
- Property owners, local retailers and the city agree on measures to improve a clearly defined area
- financed by a BID levy which all property owners of the respective district have to pay by law
- The BID-levy imposed by themselves will be raised and collected by the city
- Duration of a BID: max. 5 years
  - > Competitive advantage vis-à-vis other districts





#### **Functionality of BIDs**

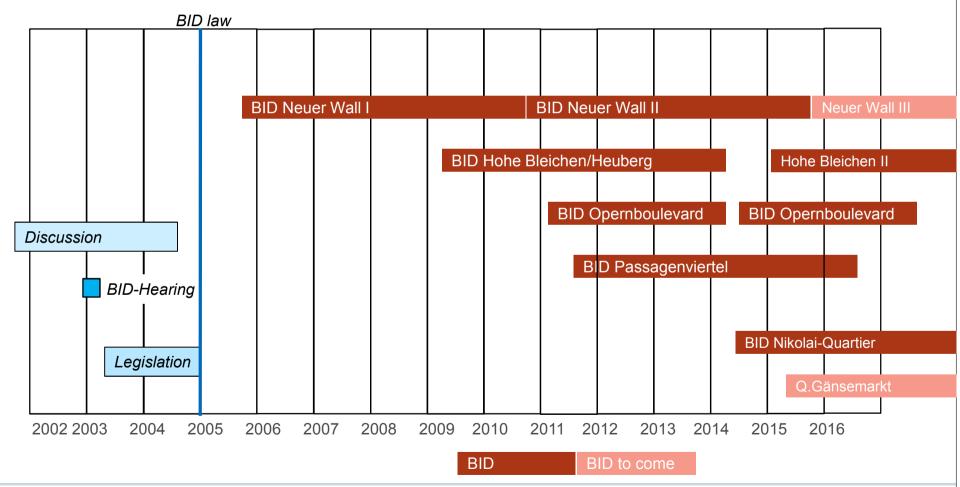
- BIDs a win-win-situation for everybody
  - > **Property Owners**: They ensure or increase the value of their property
  - ➤ Local Retailers and Service Providers: They benefit from a growing customer traffic
  - Visitors: They can use a greater variety of retail stores and enjoy the improved cityscape







### **Examples in Hamburg – BIDs in the Central City**







### **BIDs in Hamburg Central City**







Bürgermeister-Petersen-Platz (BID Neuer Wall) before and after its redesign



before
photo: BID Neuer Wall



after photo: Schote





Organisation of public spaces, BID Neuer Wall



before photo: Büttner



after photo: Schote





- Design of the streets
  - Pavement
  - Furniture
- Illumination
- Seasonal decoration
- Maintenance
- Additional services, esp.Cleaning (on top!)
- Marketing
- District management



photo: Schote



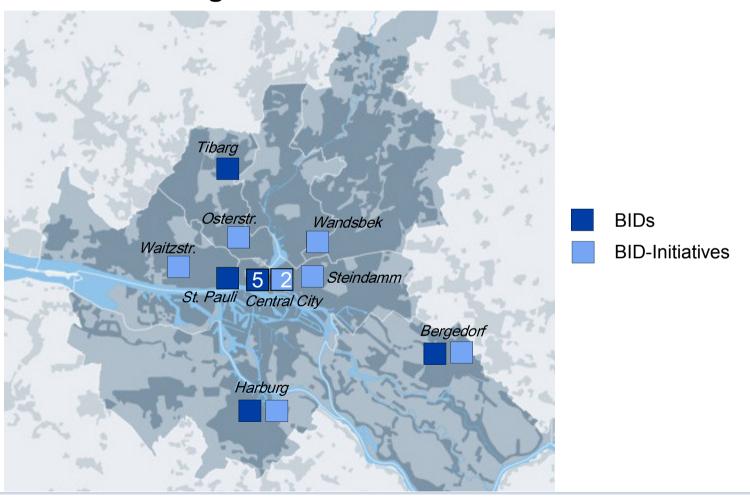
photo: Büttner



photo: Schote











Water Sculpture, BID Tibarg in Hamburg-Niendorf



phot: Schote





Flower Bed, BID Tibarg in Hamburg-Niendorf





phot: Schote





Bistro tables and chairs in public spaces, usable for everybody



Left: BID Tibarg in Hamburg (Photo: left: BID Tibarg, right: New York

right: New York (Photo: Schote)







Newly-arranged pedestrian and cycle paths, BID Wandsbek-Markt

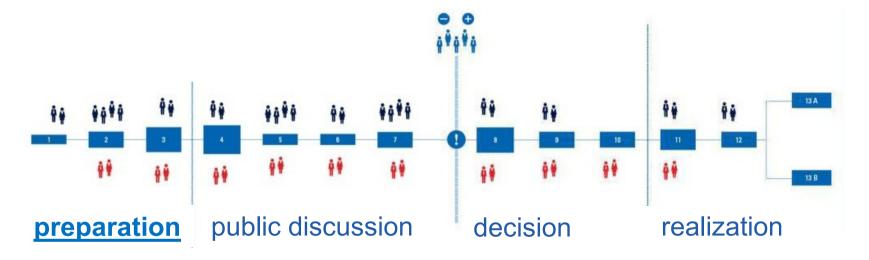




photo: (left) BID Wandsbek, (right) Schote



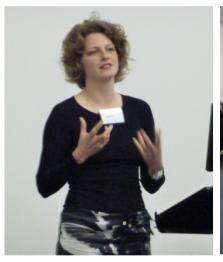




Property owners and local retailers: "We want a BID! What do we have to do?"





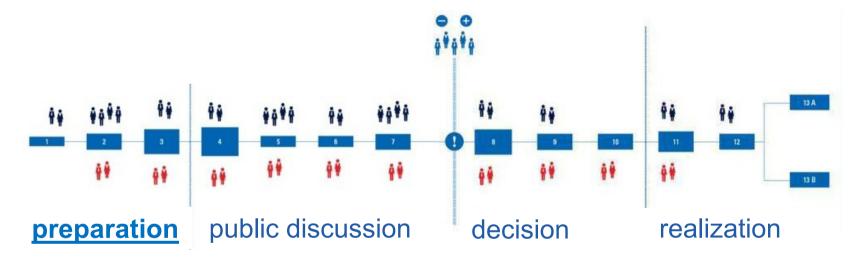






Workshops about the future of Hamburg Central City in the Chamber of Commerce, Workshop for the BID Waitzstraße in Othmarschen

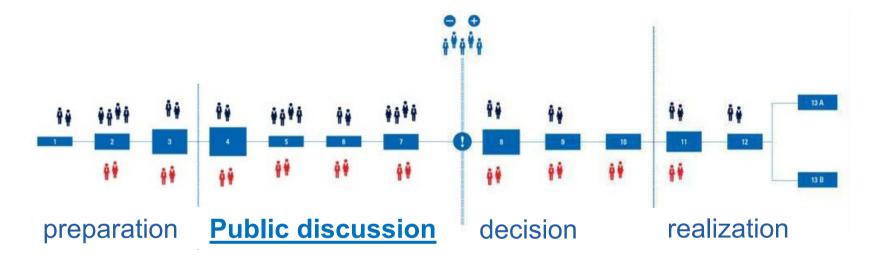




- Property owners and local retailers: "We want a BID! What do we have to do?"
  - > Form a BID steering committee
  - ➤ Sketch of ideas business and financial plan
  - ➤ Elect a **task manager** for the BID's realization







- The **BID steering committee** presents the **BID application** (with the business and financial plan) to the other property owners and to the public
  - ➤ At least 15 % of the property owners (by number and by area) have to agree to the BID application
  - > The BID task manager sends the BID application to the public authorities



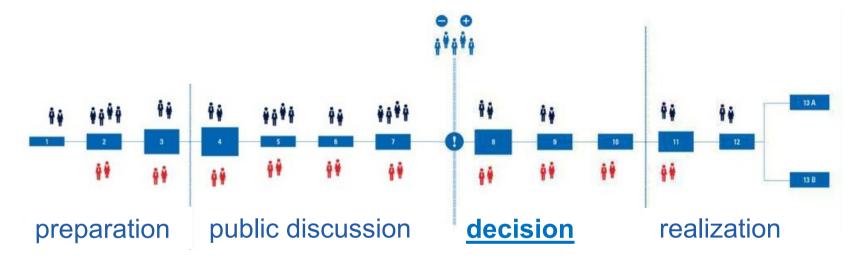




Information given to the property owners in BID Sachsentor, in the town hall of Hamburg-Bergedorf



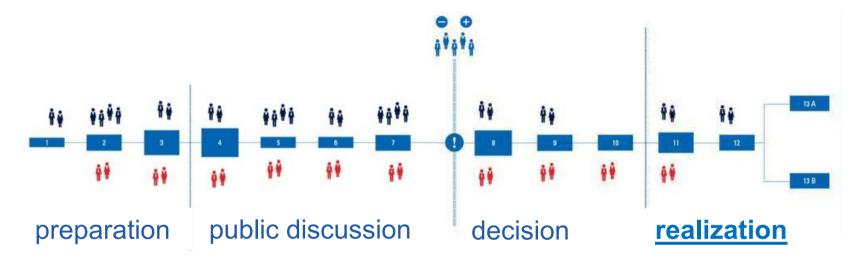




- The City of Hamburg informs all affected property owners about the BID application
- If less than 1/3 of the property owners (by number and by area) vote against the BID application, the Hamburg Senate can establish a BID







- The BID task manager implements the measures which are included in the business and financial plan
- Duration: max. 5 years
- By law all property owners pay for the BID measures







The new design under construction: BID Hohe Bleichen (all photo: Schote)



PASSAGENVIERTEL BEWUNDERN INNEHALTEN AUFATMEN
EINKAUFEN STEHN BLEIBEN BEGEÜSSEN PASSAGENVIERTEL
VORBEITKOMMEN EINTAUCH
PASSAGENVIERTEL
BESICHTIF
FRAUEN VERGLEICHT
FRAUEN PASSAGENVIERTEL
NVIERTEL SEIN
VERABEEDUN SICH
INSPRIEREN PASSA
EINKEHERN KAPFE
INFORMIEREN VER

Opening session BID Passagenviertel (2012)





#### What makes a BID successful?

■ **People** who take the initiative (property owners and retailers)

■ Democratic decision ☑

■ Broad consensus about the business and financial plan

■ Stamina (2 years or more)

■ **Professional support** throughout the whole process (BID task manager)

■ Local authorities support BID-initiatives





### What belongs to a successful BID?

A realistic perspective / a vision



a BID will not solve all problems a BID is not always the best solution







#### What makes a BID successful?

Cooperation with shopping-centres

Cooperation with initiatives for city marketing



Christmas market, financed by the local shopping-centre, BID Tibarg in Hamburg-Niendorf (December 2014); photo: BID Tibarg



#### **Conclusion and future prospects**

BIDs are...

... an **urban planning instrument** to increase the attractiveness of central city areas and district centres,

which are established by property owners and retailers to **improve the public space** or to do marketing or district management

which could not be financed

- by public funds or
- on a voluntary basis
- Competitive advantage vis-à-vis other districts







# Thank you for your attention

For further information:

www.hk24.de/bid (in German)
International BID Congress on July 2<sup>nd</sup> and 3<sup>rd</sup> 2015 in Hamburg



