



PLACING BUSINESS LEADERSHIP

INSIGHTS FROM CHILE'S BARRIOS COMERCIALES

Policy paper

September 2017



Cover image: Barrio Las Telas, Santiago de Chile, June 2016; © City Leadership Lab

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Project partners

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The Business of Cities

The Business of Cities Ltd is an intelligence and strategy firm based in London, that observes, advises, and reports on global trends and changes in cities, leadership, and development. Provides intelligence, knowledge, analysis and insight on cities, regions, and business development worldwide. They work internationally with public and private sector leadership in more than 100 global cities, global firms, and inter-governmental organisations.



The BIDs Business

Led by Dr Julie Grail, the leading expert on BIDs in the UK, The BIDs Business delivers high quality consultancy with the very best integrity with an unparalleled track record, reputation and expertise across all aspects of BIDs.



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Chile's Servicio de Cooperación Técnica (SERCOTEC)

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1. Overview

The new urban governance landscape is more and more complex: new urban actors are emerging such as business leadership groups, metropolitan authorities and city networks. This diversity has the potential to be advantageous for cities, adding to their resources, ideas, delivery capability and the possibility to share knowledge and produce collaborative efforts towards service delivery. Partnerships between business leadership groups, city authorities and land owners are not new: common interests and challenges are shared and organised under an agreed framework. Managed districts around the world have shown several benefits such as sustained budgets in a context of decreasing public resources, support and enhancement of public services such as security and cleaning and a clear sense of leadership.

Under different names and structures these partnerships have set common ground around ideas that currently are seen with several projects worldwide. Prove of this are the existence of Business Improvement Districts (BID's) in the UK, USA and New Zealand; Business Improvement Areas (BIA) in Canada; City Improvement Districts (CID) in South Africa; and now the Barrios Comerciales (BC) in Chile.

Chile initiated the first Place Management policy with the Barrios Comerciales program in 2014 to foster associative community projects for SME's and local entrepreneurs. The program builds on promoting a collaboration between these associations and other relevant public and private stakeholders to support local economic development while putting into value local cultural identity of each Barrio Comercial. This model seeks in the long-term to generate a culture of associative management model that is collaborative, participative and sustainable. The program had an ambitious start with a first wave of 66 Barrios Comerciales around the country with more than £50 M (around \$42 M Chilean pesos) of public investment.

After a first successful phase of implementation, it is useful to oversee what has been working and what can be approached differently in the future to achieve the ambitious and challenging goals of the program. The Chilean Government through the Ministry of Economy and its Secretary of Technical Cooperation (SERCOTEC) and the Ministry of Housing and Urbanism; the British Embassy in Chile and the University College of London's City Leadership Laboratory formalised a collaboration to assess the current state of the Barrios Comerciales to provide key recommendations for the forthcoming years based on the accumulated 20-year experience existing in the UK.

This report represents the first outcome of this fruitful multi-level collaboration and it includes the following sections:

We draw an extended global overview on Business Partnerships for Commercial Districts and other international examples of local partnerships. In this section the focus was put on setting a common space of definitions and purposes for these types of partnerships, describing different existing models, what type of capabilities and power resources are needed, what are the types of funding and financing, what kind of support are functional for these alliances and what are the main global challenges on BID's.

We remark some of the most relevant existing comparative learnings from the UK as making a revision of the recent history of BID's. Revising the different phases of the UK initiatives and the policy and institutional timeline.

We review the current Chilean Barrios Comerciales programme describing the program and the main goals, coverage, structure and methodology and highlighting the main achievements of the programme so far.

We underpin the key learnings from the UK to be used as a benchmark for the most important decisions to be made in the current state of the programme in the Chilean context. We take into account the success factors of the UK experience, by mentioning the culture of partnerships; the early adoption and best practice exchange with 'formalised' but not mandatory routes (Accreditation, Academy, Awards, Nationwide Surveys, etc); a non-prescriptive legislation enabled 'fit for purpose' models (Variable Levy Rates, Thresholds, Caps, Exemptions, etc); Public support and key funding in the early years (Regional Development Grants, Local Authority coordination/facilitation). Then we make some specifications on the future challenges to be addressed by the Chilean programme. Notably, the challenge of making Barrios Comerciales a long-term policy.

We outline a set of policy recommendations for Barrios Comerciales focussing on the opportunities and challenges that this program presents. We focus on establishing the criteria for success: to capture best practices; how to optimise the place management expertise by learning from elsewhere and with others; and considering a forward/exit strategy.

Finally, we flag the key challenges to consider for the future of the Barrios Comerciales program such as: future partnership models and future organisational structure.

2. Business Partnerships for Commercial Districts: context

2.1 Context

Partnerships between local governments and business operators and land owners in commercial districts are not new. For several decades, city centre and town centre partnerships have been common in many countries. Such partnerships express the common interests between local governments and business operators/land owners that include the need to support such centres to be well managed, clean, safe, attractive and adaptable. This approach has drawn upon the influences of other kinds of managed commercial spaces and services, such as department stores, shopping centres/malls, airlines and hotels, where a managed environment, with customer relationship systems and incentives are combined with concierge and information services to make a space really perform.

As the concept of business and government partnerships in commercial districts has evolved, some countries have chosen to support a specific kind of development to which this paper refers. We observe that in many countries such partnerships have a specifically voluntary dimension where businesses may join or leave as they please and where the financial contributions made and governance exercised are negotiated.

However, in some countries a more fixed model has emerged. This is one where following a vote of the relevant businesses or land owners a more sustainable and stable ‘statute-led organisation’ is created, where financial contributions are made through regular compulsory levies that all relevant businesses must pay, and a fixed period for the joint working is defined (usually 3, 4, or 5 years) before another vote is taken to either continue or dissolve the arrangement. As all relevant businesses, defined within the business plan prior to ballot, must participate in the financing of the district management vehicle, they also have the opportunity to participate in its governance, to define its priorities, and to scrutinise its performance. This has enabled the development of sustainable local business led partnership organisations with stable financial arrangements and their own staff. Such organisations are capable of evolving their roles in local development.

Business Improvement Areas (BIAs) originally emerged in Canada in the 1970s, but really took off in the US during the 1980s and 1990s, where they are known as Business Improvement Districts (BIDs). They were set up as responses to the perceived and real decline of inner-city commercial neighbourhoods, and were designed to:

- Address rising crime
- Increase the rate of funding and services (e.g. waste collection)
- Improve the quality of the public realm
- Compete effectively with suburban malls and other retail

Today BIDs and their variants are commonly found across North America, the UK, New Zealand, South Africa, Germany, Chile and many other countries. A new wave of interest in the BID model has occurred

due to strains on local government spending which have prompted interest in alternative financing mechanisms and sources of investment

Figure 1: Overview of development of the statutory partnership models for commercial districts

	Canada	USA	UK	South Africa	New Zealand	Germany	Chile
Entity Name	Business Improvement Areas	Business Improvement District	Business Improvement District	City Improvement District	Business Improvement Districts	Business Improvement Districts	Barrios Comerciales
Occupiers and owners	Mainly Property Owners	Mainly Property Owners	Mainly business occupiers	Mainly property owners	Mainly property owners	Mainly property owners	Mainly Business occupiers/ owners.
Year of establishment	1969	1975	2005	1993 (in practice), 1997 in law.	1981 (as Mainstreet iprv progs)	2005	2014
Number of Districts	500+	1000+	200+	40+°	140+°	50+	66 (target)
Legal Features	Provincial legislation, not-for-profit companies	Legislation from state govt, not-for-profit companies	National legislation, not-for-profit companies limited by guarantee.	Provincial legislation, local by-laws for some regions, not-for-profit companies	National legislation, not-for-profit companies registered as 'Incorporated Societies'	State legislation, managed by appointed company on behalf of businesses.	National .legislation; districts identified at a regional level, managed via a nat. council formed as PPP.
Period mandate between votes	4-7 years	3-5-10 years	5 years	3 years	3-5 years (strategy renewal)	3-5 years	2-3 years
% of private sector funding	70-95% Levy, remainder reserves, surpluses and public assistance.*	Varies significantly from district to district.**	82% levy 7 % other private sources Remainder public.	95-100% levy, with remainder from contracts and returns on financial investments.	80-95% Levy 5-15% from events, sponsorship, donations and investments. Remainder grants.	100% levy	Initial stages 100% public sector funding. Potential for diversification and self-financing at later stages.

	Canada	USA	UK	South Africa	New Zealand	Germany	Chile
Entity Name	Business Improvement Areas	Business Improvement District	Business Improvement District	City Improvement District	Business Improvement Districts	Business Improvement Districts	Barrios Comerciales
Nature of public sector engagement.	-Limited role in BID instigation -Strong financial + admin support during start-up -Regular subsidies and partnerships with BIDs -Frequently consult BIDs on policy matters	-Limited role in BID instigation -Strong financial + admin support during start-up -Regular subsidies and partnerships with BIDs -Frequently consult BIDs on policy matters	-Strong role in BID instigation -Strong financial + admin support during start-up -Regular partnerships with BIDs -Consult BIDs on planning and policy matters	-Strong role in BID Instigation -Strong financial + admin support during start-up -Regular subsidies and partnerships with BIDs -Consult BIDs on policy matters	-Strong role in BID Instigation -Strong financial + admin support during start-up -Regular subsidies and partnerships with BIDs -Consult BIDs on policy matters	-Strong role in BID instigation -Strong financial + admin support during start-up -Limited role later -Frequent two-way policy dialogue	-Strong role in BID instigation -Strong financial and admin support during start-up -Regular subsidies and partnerships with BIDs -Frequent two-way policy dialogue
Main activities	-Cleaning -Streetscaping -Security -Marketing -Research -Capital investment -Some policy involvement	-Cleaning -Streetscaping -Security -Marketing / promotion -Research -Capital investment -Shape policy	-Cleaning Streetscaping -Security -Marketing / promotion -Research -Leadership -Place shaping -Limited capital investment	-Cleaning -Streetscaping -Security -Marketing / promotion	-Cleaning -Streetscaping -Security -Marketing / promotion	Mainly: -Cleaning -Streetscaping Less security, marketing, policy involvement	Cleaning -Building Social Capital and Leadership Streetscaping -Security -Promotion and Marketing -Research

Source: *Based on samples from Toronto, Vancouver and Montreal BIAs.

** E.g In New York, 75% of all BID funding comes from the levy, 1% from public grants, and the remainder from other private or commercial sources. In Downtown Los Angeles, 99% is raised through the levy. In San Diego, in some districts more than 50% of the revenue is commercial. - ©2007 figures

2.2 Definition and purpose

BIDs are private-public partnerships, “in which property and business owners in a defined geographical area propose to make a collective contribution to the maintenance, development and marketing/promotion of their commercial district”. They are designed to supplement and enhance existing public services, and are not meant to replace them, nor are they meant to spearhead whole regeneration projects. Their roles can include:

- Security
- Cleaning
- Advertising
- Branding and marketing
- Place-making and public realm upgrades
- Advocacy and policy contributions.

The ultimate aim is not only to increase trade and reduce cost to businesses that are contributing to BIDs so that it becomes a true investment, not just an expenditure. It also aims to encourage a more satisfactory sense of place, to increase visitor flows and sales, to improve the customer and resident experience.

Because BIDs are generally small and in control of their own funds, they are capable of locally tailored problem solving, often drawing on the entrepreneurialism and pragmatism of the private sector. This can allow them to bypass administrative delays, and offer solutions supported by local businesses who best understand their local needs.

BIDs in the UK made a difference by undertaking a range of services that usually is led by city authorities. Cleaning-up services to have clean streets supported by a culture of street cleanliness. The development of a branding and its subsequent promotion through campaigns and digital marketing. Making the streets a place of culture and public meetings with cultural events and animation. A driving vision shared by all businesses to shape the place and enabling coordinated action not only within small businesses but bringing together public and private actors.

2.3 Different models

Governance

In terms of their founding, BIDs can be:

- **Established or encouraged by public authorities.** This is common in the UK, Germany and South Africa. In the UK, New Zealand and Germany, local authorities themselves can suggest BIDs in partnership with local businesses (as can sometimes happen in the U.S.).
- **Developed by local business community.** In the U.S., State governments have set up enabling legislation which outlines a specific procedure for BIDs to emerge. A petition (usually prepared by local businesses) to set up a BID is drawn up, and has to accumulate enough signatories from local businesses to be presented to the city authorities. These can then approve its creation subject to a positive vote of local businesses.

The voting procedure whether to establish a BID can rely on a “one business one vote” mechanism, or count instead the total rateable value of businesses in favour and those against. In the UK, both are required. City authorities can also provide funds and advice to help with the preparatory process of proposing and establishing a BID.

BIDs usually have the following features:

- They are usually **not-for-profit companies**, neither part of city government nor entirely independent from it. Their steering committees and governing boards usually feature local business leaders such as the property and business owners of a district. Some cities assign voting rights on the boards based on their rateable value (the higher it is, the more votes). Others proceed on a one business, one vote basis.
- Their boards generally feature **some form of municipal representation**, such as an elected representative. For instance, in the UK, London Bridge’s BID has eight members representing local businesses, and one local councillor, with similar structures even in BIDs of smaller cities. Occasionally, although more rarely, residents and civil society representatives can sit on their boards (for instance, in New Jersey or in Washington D.C.).
- BIDs are usually **accountable to municipalities** in that local governments have the power to oversee, approve or veto BID budgets in most instances. They also offer a minimum-service commitment to BIDs to ensure that public authorities retain control of basic service delivery, and do not discharge these functions onto the districts. In addition, city governments can impose audits and progress reports as they perform a ‘custodian’ role to ensure value for money, while a “sunset clause” ensures that BIDs have limited terms (from 3 to 5 years), and cannot be automatically renewed without a vote.

South African cities, for instance, are leaders in terms of BID accountability. Cape Town has “contractual performance” agreements with public sector service providers to ensure the BIDs perform according to expectations. Some authors have suggested that to fully assess the true costs and benefits of a BID, studies could be undertaken as new districts are set up, comparing their evolution with neighbourhoods which do not possess a BID over the same period, to properly analyse their different trajectories.

2.4 Capabilities and power

The capacities and influence of a BID vary from city to city, and also based on BID size.

Smaller BIDs usually:

- Focus on traditional tasks of street cleaning, security and landscaping to draw people back to their neighborhoods. This may involve new public furniture, cleaner and more inviting streets and re-worked public spaces. These key features are even in mature phases; larger BIDs continue to perform these functions. Philadelphia’s Port Richmond BID, for instance, undertook the wholesale clean-up, street-repair and securitization of its district as its insalubrious state was deterring investments in the area.

Medium sized BIDs:

- Tend to add **promotion, events and marketing** functions to their range of interventions. In the UK this is a primary function of small BIDs as it is more focused on driving footfall and therefore trade. This is often more affordable with small budgets than the clean and safe activities. Tourism Improvement Districts in California, for instance, levy mainly from hotels to invest in mass tourism promotion. The bigger BIDs are capable of taking this to the next level, with large events such as New Years Eve on Times Square or “Broadway on Broadway” (both from the Times Square
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Alliance) as part of large branding and destination packages. Similarly, the annual arts festival is a signature event for the Manayunk Development Corporation (BID) in Philadelphia.

Larger or more mature BIDs:

- Perform **capital improvements, lobbying, master-planning and business support functions**. For instance, in Toronto, the Entertainment District BID has been leading master planning in its area in partnership with the city, to help overcome the municipality's resource constraints. In Hamburg, BIDs have significant access to city and state government when it comes to issues of economic policy and planning, and even have representation in city government through a BID commissioner. In the US, some of San Diego's BIDs have taken an active role in small business promotion, support and training, and some planning advocacy.

To date, there are limited examples of multiple BID coordination within cities. San Diego has been at the cutting edge of this, with its Business Improvement District Council which oversees and coordinates the activities of its BIDs, provides extra funding, lobbies city government, acts as a property developer, and offers capacity support to new and existing districts. Under the responsibility of the city's Office of Small Business, it forms an integral part of its small business promotion strategy. New York has similar capacity directly managed by its own small business department, however larger ones such as Los Angeles lack these tools. In the UK, the organisation British BIDS and its regional equivalents offer similar but less targeted BID support, with no tools as of yet for intra-city coordination.

2.5 Financing and funding

Most BIDs around the world are funded through a compulsory levy charged to all businesses or property owners within the district. In the US, this "assessment" is mainly (but not always) based on a property's value, and thus must be paid by the property owner. In the UK, the levy falls on to the actual occupants of a business property, in other words it is a "merchant fee" and largely akin to an addition on local business rates. The mandatory levy falls on the occupier in the UK as opposed to the owner as in other countries. In San Diego, BIDs use a mix of both. The money is often directly raised by the local authority and transferred in its totality to the BID, which has discretion on what it wishes to spend it on (within local authority oversight).

Local levies are often supplemented by direct grants from local or higher tiers of government, as they sometimes are in the UK, US, New Zealand and Canada.

In addition, BIDs are generally authorised to pursue commercial ventures to top up their accounts. In New York for instance, the Times Square Alliance BID runs its own visitor centre and local museum to generate cash flows. Voluntary donations from businesses also assist BID financing, while cities such as San Diego have added parking meter revenue. The Times Square Alliance in New York also uses bonds a form of finance, while Tax Increment Financing schemes are frequent across US cities.

It has been suggested that property based assessments generate more revenue than merchant fees. The New West End Company in London, for instance, raises 50% of its revenue through merchant fees bringing in a total of £5m in 2010. Comparably sized efforts in the US based on property valuations, raise upwards of £10m (\$16m at the time). On average, a global study suggests that funding revolves around \$350,000 per year per district, with sums varying from \$20,000 to \$16m in the case of the Times Square Alliance in New York.

A UK-based study found that smaller BIDs are more dependent on levy and direct grant funding than the larger ones, but also that the maturity of a BID plays a role. For instance, recent (i.e. first term) BIDs saw up to 50% of their additional income deriving from local authority grants, while this drops to 25% for those which have already gone through a cycle of renewal. More established and experienced BIDs were found to be good at finding new funding sources, especially donations from property owners, sponsorship, raising money from events, as well as contributions from police and transport agencies. As a result, “second term” BIDs can raise £0.34 in extra funding for every £1 of levy, as opposed to just £0.09 for first cycle BIDs. Nonetheless, levies can represent up to 80% of income even with mature funding diversification strategies. The ability of BIDs to raise external investment in an area also depends on size and maturity. Once again in the UK, younger BIDs were found to attract £0.07 of external investment for every £1 raised, but this rose to £1.56 for the more mature districts. There are, however, currently few independent comprehensive global studies of BID returns on investment.

2.6 Local and National Government support for BIDs

BIDs are usually publicly mandated, and often form part of city revitalisation strategies. They rely on close co-operation with different tiers of government, whether during their start-up or operation phases.

At the local level:

- City, or state / provincial governments act as key **points of contact for** business owners in the first place to set-up BIDs. Local administration play key roles in defining the rules of operation, modes of accountability and finance, and defining the co-operative framework. It is therefore crucial that business owners have a good idea of what they want to achieve to lobby the relevant local authority to include it in BID legal provisions. For instance in South Africa, Cape Town business organisations were key in lobbying for BIDs, and played a leading role in formulating their legal and operating framework in partnership with the City of Cape Town and the Western Cape Province.
 - City governments are key actors when it comes to providing initial **guidance, expertise and finance** in the BID start-up phase. Defining boundaries, contacting property or business owners, and organising ballots are complex and staff-intensive activities which usually require public resources provided by city governments, such as maps, business registers, administrators, but also finance to organise elections and awareness, and advice on how to set up and run a BID. Almost all city governments provide this initial form of assistance. Auckland, for instance, is in the process of updating its BIDs policy and the guidance it offers to BIDs. Toronto has a whole website and online resources dedicated to the start-up and governance process. The lack of BIDs in Los Angeles’ resource-scarce neighbourhoods underlines how important city support is in the start-up phase, as insufficient help in already deprived neighbourhoods has nipped several projects in their bud.
 - City governments can provide crucial **top-up operating finance** to BIDs, especially in their early stages. This practice is common across the UK, and some American cities. This can be negotiated on a project by project, or annual basis. In New York, for instance, various city grants are available to BIDs to improve street-scapes and plazas – on top of the levy. In London, TfL and the Metropolitan Police, as well as the Greater London Authority, all provide varying measures of assistance to fund projects or help BIDs in their early stages.
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- When operational, city governments can provide **training and networking services** to BID managers to give them new ideas to develop their districts as they mature – a common practice in New York, Toronto and Auckland.
- **Umbrella co-ordinating organisations** are often set-up or supported by city governments to manage the work of multiple BIDs across a city. In San Diego, for instance, the BID Council allows districts to borrow scale by centralising some resources, and helps harmonise the work of the city’s multiple BIDs with its wider economic development policies. In New York, it is the Small Business Services department which runs similar services. In the UK, Westminster, Lambeth, Birmingham and Cornwall coordinate a network for all of their respective BIDs to come together.
- BIDs cannot achieve comprehensive neighbourhood rejuvenation without cooperating with the city’s **planning, services or infrastructure** departments. Not only are they ultimately the guarantors of public services and the urban realm, they possess the technical expertise and resources to deliver public upgrades. As a result, neighbourhood master plans in Toronto, but also in Cape Town, are often drawn up as a collaboration between BIDs and city governments. In London and San Diego, there is also some evidence of joint service delivery between BIDs and city governments. This can help BIDs maximise their resources and fulfil their needs, while working towards city objectives.

At the national level:

- The national government can have a strong **steering and implementational** role. In Chile, for instance, the Barrios Comerciales programme is nationally mandated. It was devised as a central government initiative to revitalise inner-city neighbourhoods, and is funded directly by national disbursements.
- While each BID is allowed to define its own priorities, the whole start-up process and the fundamental objectives of the policy are nationally driven. In the UK, the policy governing the establishment and running of BID is largely a centralised effort, with England and Wales, and Scotland, defining the “rules of the game”, even though local authorities are left to manage them.

2.7 BIDs challenges

Whilst the BID model of stable and compulsory financing has proved to be very effective in making BIDS work, there are many possible challenges and barriers that they face.

- *Unused potential.* A lack of awareness of the potential of BIDs is a major obstacle to their adoption. Their purpose is often poorly understood, many suffer from a low profile, and do not communicate adequately what they do such as new parking, or street cleaning initiatives.
 - *Resistance.* Some BIDs do not get off the ground because of a lack of advocacy. Local businesses are often unconvinced if other businesses themselves are not advocating for a BID. Outreach is best conducted by the organisations that are themselves most likely to have to finance – and benefit – from the BID.
 - *Local Government.* Municipal support is **also a key feature** – but nor must the BID be perceived to be a wholly top-down initiative. In poorer neighbourhoods with higher ethnic mixes in Los Angeles,
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for instance, communities often distrust initiatives they perceive are government mandated (even when they are not). Such neighbourhoods were also found to have lower levels of pre-existing business organisation and cooperation, further hampering the efforts. In the UK, it has also been noted that tensions can arise in proposed districts between different types of businesses.

- *Diverse businesses.* Small and large, chains or independents, office or retail may not share the same agendas. Little resistance, however, has been noted from residents associations and groups. Solutions have been found to circumvent some of these hurdles, **through differential levy scheme**. For instance, office occupiers in a Birmingham BID do not have to pay the levy, for instance, as the district is mainly focused on retail revitalization. Types of business district dictates the approach and agenda more than the scale and maturity.
- *Governance.* There are sometimes challenges of governance within BID boards. The attitude/skills of the private sector can make it difficult to get a genuinely representative group, and or to adopt mutual collaboration models.
- *Quality and Standards.* BIDs need quality standards. The UK still has no real ‘machinery’ in place to safeguard quality. Whilst ‘standards’ such as Accreditation and qualifications have been created in the UK, these have effectively been commercially created by the industry to serve a need but have not yet been adopted by government and therefore remain ‘voluntary codes of conduct’. Clearly this means that you tend to see the good locations opting to ‘test’ themselves through the quality standards to achieve the ‘recognition’ but it has no impact on mandating.
- *Evolution.* In the USA, Canada, and South Africa BIDs have need to evolve to take on the Place Shaping agenda in order to fulfil other objectives.
- *Public budgets.* Absence/retraction of public sector resources and funding has major implications as to how/when BIDs develop. And ultimately it can drive entrepreneurialism if the conditions are right. Linked to this are the challenges of the weak Baseline agreement leaving the basic premise of additionality for BIDs redundant.

In addition, practical difficulties need to be overcome early on – for instance tracking down property owners (especially absentee owners), and generating resources and time for face to face lobbying. In the case of Los Angeles, for instance, public grants to cover these initiatives do not always cover the full costs of BID advocacy, and have seen several initiatives fail at the first hurdle as a result.

Figure 2: Selection of BID governance, funding and capacity models

	Option 1	Option 2	Option 3	Option 4
Initiative	City-mandated	Business-mandated	Co-operative	Nationally mandated
Governance	Business-led	Business and local authority representation	Business, local authority and resident representation	-
Financing	Property levy	Merchant levy	Mixed property and merchant levy (depending on business size, composition)	Sponsorship, government grants, commercial activities, events, donations, parking fees
Roles	Cleaning, security, streetscape maintenance	Marketing, branding and events	Localised infrastructure investments (e.g. new bus routes, bus stops, cycle infrastructure)	Policy interactions (lobbying, advocacy, planning)

3. The UK experience

The UK has undergone significant evolution in terms of partnership development and place management over the past three decades. From the mid-1980s the UK started an experiment of ‘Town Centre Management’ where the public and private sectors came together in an informal partnership model to investigate the potential for working together. Initially four locations across the UK were selected by the private sector to put seconded staff in to a new partnership vehicle working closely with their respective local government partners. There were limited, if any, formal objectives or measures but it was quickly recognized that this form of partnership was productive at a local level. By 1991 there were 35 such partnerships across the country generally with informal structures and usually with funding on a 50:50 basis between public and private sector. The decade of the 1990s saw a rapid growth of this informal model and by the late 1990s more than 250 locations had some form of Town Centre Management in place. Many of these are still working such as Reading BID which was one of the original four secondments from the private sector for Town Centre Management in 1986 and was one of the 35 in 1991. Posthumously it became one of the early BIDs in 2006 and finds itself in its 3rd term of a BID.

The key motivation for these kinds of partnerships was to take a holistic view of a place and to share knowledge and investment potential between the public and private sectors for the benefit of all. Over the period of a decade, whilst there were some real successes in partnership development and evolution and a real recognition that partnership working could pay dividends, it became increasingly clear that a more formalized, equitable and sustainable approach was required to continue and enhance the model. The private sector contributors who tended to be the enlightened few were feeling increasingly frustrated with the high numbers of ‘free riders’ who were benefitting from the combined activity and joined-up investment

but were not paying their fair share. In addition, the public sector tended to view many of the partnerships as ineffective and/or uninfluential due to the lack of stability and scale of funding to demonstrate power and clout.

By the late 1990s there was a significant interest in the experience of Business Improvement District (BIDs) elsewhere in the world, in particular those in North America. The BID model enables an equitable and sustainable funding model by creating the ability to charge a mandatory levy on all eligible businesses within a commercial district. A successful ballot of businesses triggers the ability to charge the BID levy and therefore in essence it is a ‘self-help’ mechanism with businesses having the option of whether to jointly invest in their particular area. Following a successful ballot, a particular location can demonstrate a true mandate as well as the investment potential and longevity.

3.1 The Circle Initiative

In the UK context, the BID model was initially investigated and rehearsed through a government-funded programme called The Circle Initiative. This ran from 2001 to 2005 and received £4.6m of government regeneration funding to establish and take five partnerships across central London through to BID ballot.

In addition to the five commercial partnerships within the Circle Initiative, there was a central programme team whose role was to – support the development of the five partnerships in terms of management, governance and delivery; administer the regeneration fund through a formal project application, appraisal and monitoring process; to encourage the sharing and dissemination of best practice within and beyond the programme; and to actively contribute to the development and drafting of the enabling legislation.

The success of The Circle Initiative resulted in the establishment of five very strong BIDs across central London but moreover it created the appetite and interest in the BID model across the UK.

3.2 UK BID Legislation

Fortuitously, concurrent to the pilot programme the government developed a White Paper (2001) followed by the requisite primary and secondary legislation to enable the formal establishment of BIDs in the UK. Primary legislation was passed in 2003, followed by regulations in 2004 for England; Wales 2006; Scotland 2007; and Northern Ireland 2014.

The UK legislation is based on an occupier levy, utilising the existing Business Rate legislation. The nature of the enabling legislation is non-prescriptive providing broad parameters for places rather than specifying principles and structures. The nature of the model creates a role for the local ‘custodian’ of legislation as the responsibility of the local authority. Whilst the local authority doesn’t have the ability to control the operations of the BID, it is required to ensure that the BID operations are in line with the government legislation and to be first point of contact for businesses in the event of concerns regarding the BID.

3.3 The London BIDs Programme

Following the early successes of The Circle Initiative, a regional programme of support and best practice exchange was established called The London BIDs Programme (2003). The programme was funded by the Regional Development Agency (using entirely public funds) but delivery was outsourced to a private provider. The programme was borne out of the recognition that The Circle Initiative approach had shown

real impact in its respective locations and there was a desire to see this approach extended across the rest of London.

The format for the programme included - regular hosted networks for distinctive types and geography of BIDs, and for their respective local authorities; comprehensive provision of information and best practice exchange via website and monthly e-newsletter; and ‘free to end-user’ consultancy support to emerging locations and authorities. Effectively it operated as a catalyst to the further development of the concept at relatively low public cost. There were little or no funds available directly to specific locations (although some did manage to access funds from elsewhere), instead the programme provided the knowledge, guidance and best practice exchange to ensure rapid and robust evolution of the concept learning from both the earlier mistakes as well as the successes.

This programme was in place for 7 years and whilst it supported the evolution of the BID concept and the establishment of new BIDs through expertise and best practice exchange, it did not directly have a set-up fund for new BIDs. However, a number of locations in London during that period accessed other public sector funding to help on with the establishment of new BIDs.

3.4 National Standards

As the BID model evolved across the UK there rapidly developed an appetite for a national organisation for the industry focused on driving quality and standards. In 2006, British BIDs was created to take on this role and focused on driving a variety of different initiatives to ensure industry networking; sharing of best practice; education and training; and initiatives to developed standards.

Over the subsequent decade, interest and commitment to quality and standards heightened as the number of BIDs across the country increased. This interest was equally coming from businesses contributing to BIDs as well as BIDs themselves.

Initially, ‘Industry Criteria’ was created that set out a framework guide to demonstrate the recommended route to BID set-up. This sought to interpret the BID legislation and fill in the gaps where the legislation detail was light. Many of the early BIDs had tried and tested various approaches and identified the best way forward.

This was followed by the development of an ‘Industry Accreditation’ scheme that sought to educate and test the quality management systems of the BID company ensuring that the BIDs had robust and transparent systems in place. This was becoming increasingly important as the early BIDs experienced change of senior personnel and found many of their systems were insufficiently catalogued. Over a short space of time many of the national businesses that were contributing to multiple BIDs across the country saw Accreditation as a way of seeking to gain reassurance of quality when the numbers were too high for them to scrutinise each one in detail themselves.

As the scale of the industry developed and there became career succession potential, there was a need and an appetite for formally training the staff of BIDs. The ‘BID Academy’ was therefore created which delivers a Certificate in BID Management, which is a six-month masters-level academic short course accredited by a London-based university. It educates existing and/or potential BID staff in all of the key theoretical and practical aspects of BIDs enabling them to deliver comprehensively in their current role or in many cases achieve promotion within their existing employment or to a new BID location. The Academy has also created an academic alumni and an archive of interesting research projects that forms a good foundation for further discussion and debate across the industry.

Most recently and in response to increasing concerns across the industry that the reputation of the concept was being damaged due to some rogue locations performing badly, a ‘Guiding Principles’ document was published which was designed to act as a Voluntary Code of Conduct for the industry. This document sets some guidelines to suggest how a ‘well-managed BID’ should operate demonstrating that the concept can be good as long as it is delivered well.

3.5 Policy and Institutional Timeline

During the decade of BID development in the UK, there has been a rapidly evolving policy framework emanating from the gradual reduction of public funds and subsequent de-centralisation of power. This has inevitably had an impact on the shape and speed of the evolution of the BID model.

2005

Introduction of BIDs with ‘Additionality’ being key

The motivation for the introduction of the BID model was to see formalisation of the previous voluntary partnership model. Locations could see value of partnership but the limited number of contributors were feeling frustration with being the ‘enlightened few’ whilst the majority of businesses (and beneficiaries) were ‘free riders’, ie benefitting without contributing. The key motivation for businesses within this start-up phase was to jointly invest in their trading locality in order to benefit from new and additional services that otherwise would not exist.

2010

Rapid growth of BIDs with a strong network of 75 BIDs in five years but with nervousness of potential proliferation of further levies.

During this phase there was a central government move towards a decentralization approach with a ‘Localism’ policy agenda, which was being rolled out along with the proposition of further levies on businesses. With a focus on ‘bottom-up’ ownership of service delivery and management, BIDs were well placed but a consequence of this perceived ‘success’ of the BID model further levy models were being introduced by government. Introduction of a TBID model (for Tourism investment) and introduction of the Late Night Levy to resource funding gaps across the Police service were two such models. However, whilst the levy on businesses for BIDs had been largely supported by the private sector due to its locally managed and governed nature, proliferation of additional levies for other purposes on those same businesses were not well supported.

2015

Maturity of BIDs with over 200 BIDs nationally and emerging regional and typographical specialisms

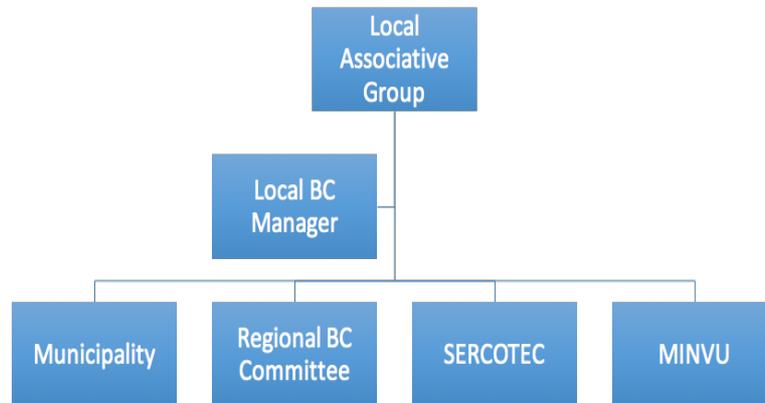
The BID model was becoming well-established and part of the mainstream place management armoury however this investment that originated from an ‘additionality promise’ was fast becoming necessary investment to plug the gaps of the significant public sector squeeze. Not only has public funding been cut which is noticeable in the loss of actual budgets but also inevitably there has been an impact as a result of the loss of expertise and knowledge in the public sector at local level. This is causing the BID model to evolve beyond the early additionality principle towards a model focused more on necessary investment and place shaping via the BID in the absence of the traditional public sector leadership.

4. The Barrios Comerciales programme in Chile

4.1 Description

The Barrios Comerciales (BC) project is an initiative from the National government of Chile to foster small and medium businesses growth and to improve urban public spaces. The multidimensional focus along with its strong participative elements makes this policy’s approach to local economic growth an unprecedented one in Chile. It seeks to generate associative actions to support, promote and coordinate local economic growth of small and medium businesses in 66 neighbourhoods across the country. This program also to build long-term social capital in these neighbourhoods through the funding of activities which enhance community participation while coordinates with other public institutions to improve the urban environment.

The BC program in Chile is in its early stages. The programme is delivered through the small business promotion agency, SERCOTEC. It has set up a National Council for BCs, which functions as a PPP involving business leaders and public bodies. This council oversees a regional network of BC councils whose task it is to get local districts going. The program is institutionally articulated from an alliance between Municipalities and a Regional Committee of Barrios Comerciales. This articulation is seen in practice with a Technical Group where Regional Officers of SERCOTEC and MINVU oversee the work of – and through- a “Local Neighbourhood Manager”. This latter acts as mediators between the executive team of SERCOTEC-MINVU and the Local Associative Group (e.g. public-private local association or receptors of the program) in order to setting up the local strategy with a bottom up approach. To ensure the different levels are all linked, the Local Associative Group (composed by business) is supported by the different stakeholders of the program (Figure 3).

Figure 3: Barrios Comerciales stakeholders

It considers three major objectives:

- i. To generate associations within the neighbourhood
 - By creating and supporting a local association of entrepreneurs
 - Linking institutional actors through an ‘institutional table’
 - To adopt a model of local management of the neighbourhood
- ii. To improve the local commercial offer:
 - a. At the business level (increasing competitiveness)
 - b. Neighbourhood level (diversifying uses of urban spaces)
- iii. To improve the urban environment:
 - a. Action related to improve the physical environment
 - b. Unifying the environment with the local image of the neighbourhood

The first stage has been the identification of potential districts, setting up the local business associations, and the preparation of their business, community and investment plans through participatory workshops, as well as some local business promotion. Even if the main focus is on the business sector, wider community participation is invited in district formation and discussions. Some initiatives promoted by Barrios Comerciales may have an impact on the public space, making it necessary to involve the wider community during the participatory process. However, most of the Barrios Comerciales are not located in residential areas making it mostly common to have business owners as the main stakeholders in the participatory processes. Barrios Comerciales are explicitly focused on place making, as well as business improvement taking therefore the main stakeholders of the area where they work. SERCOTEC and regional councils have been active in providing financial technical assistance to districts, including local economic intelligence and dedicated district “managers”, with a view to get their plans approved by the national council.

The second stage, which began recently by mid-2015, is the release of national funds for capital improvements, local business promotion and community formation activities – similar to BID activities elsewhere. The State has earmarked \$60mm Chilean pesos for each district in this phase to activate the neighbourhoods and develop the local strategies. The longer-term ambition is to have districts raise funds independently through the private sector and other public/local public funds in a future third phase. Various activities have already taken place in Santiago and in the 15 regions of Chile to raise the profile of BCs, including food-tasting days, Cultural Heritage Day and Walking Tours in La Chimba, and photographic exhibitions, as well as street festivals elsewhere including Barrio Victoria and San Diego.

The program includes an innovative institutional framework in several ways.

- First, it seeks to articulate knowledge and existing capacities of various National ministries to consider co-implementation and program-coordination between SERCOTEC (dependent of the Ministry of Economy) and MINVU.
- Then, and possibly the most effective innovation, refers to the role of the local communities and their leaders as drivers of the implementation process. Participation of local communities in transforming their urban environment is one of the pillars from the National Urban Development Policy¹ stressing the need to further enhance policies with a mix of bottom-up and top-down approaches rather than a single one. The program Barrios Comerciales seeks to be a milestone in Chilean policy in terms of its focus on community participation, its approach in terms of inter-ministerial collaboration and in terms of achieving local financial-sustainability.

4.1 Methodology

Throughout this focus of participation, the project has established a methodology in six phases:

- Phase 1: “Selling the idea”
First approach to the community. Begins when program officers start to map and identify the different enterprises, institutions and persons of the community. Presenting the general benefits of the idea and looking to generate a first interest by them.
 - Phase 2: “Breaking the ice”
The aim of this phase is to generate relations based on trust. Supporting group activities within the community to promote internal social cohesion.
 - Phase 3: “Pilot projects”
Development of a wider range of associative actions in order to gain experience in terms of the different type of associations (public-private / private-private).
 - Phase 4: “Starting up”
To define a strategic associative planning, setting up a timeline and an action plan to plan delivery.
 - Phase 5: “Implementing the plan”
To promote and improve of business management skills within the community.
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- Phase 6: “Neighborhood management model”

Figure 4: Selection of BID governance, funding and capacity models



Source: SERCOTEC-MINVU

The program has a funding model that works in stages. On the one hand, the actual operation of the program is financed through a transfer of up to £800K pounds for each Barrio Comercial. However, one of the main components of the program refers to the activation and community organization and through this resource to access to additional funding opportunities available to complement the initial funds. Including resources from SUBDERE, Tourism, Culture, etc. Finally, one of the main objectives of the program is to be self-sustainable in the long term.

The program has kicked-off in 2014 and the implementation started in 2015 aiming to finalize the project by 2018. It is expected by the last year of implementation that there will be an increase in sales from local businesses, a strengthened social capital in the neighborhoods, an improvement of public spaces and a framework for future cooperation between the public sector and the private sector.

At this stage of implementation, the Barrios Comerciales project has already achieved positive outcomes. As part of this new and innovative policy approach, they have put in operation the “Performance Management Platform” (PMP) where the regional teams are uploading the data corresponding to the first phase activities. The next step is to put in operation a new module on the PMP corresponding to the second phase of the program. This will allow to follow up the execution of the plan of commercial and urban activities (PDCU).

The project has also build on international support such as with a cooperation agreement with the ECLAC for capacity-building and trips to international cities to learn from other local 'Barrios Comerciales' projects. Additionally, a national scale event has been made gathering different ministries involved in the program development and more than 300 participants from all over the country. In parallel, a communications strategy has been put in place bringing visibility to the different national projects, involving also the community in the communications strategy as a way to enhance and promote collaboration and social capital.

5. Lessons from the UK

5.1 Success factors

The culture of partnership was already strong in the UK from the early development of informal models over a period of time and the BID model was viewed as the natural progression to formalise coordinated investment and delivery.

Early adoption and best practice exchange was very strong due to 'formal' coordination mechanisms (Circle; London BIDs; and British BIDs) with a central resource dedicated to driving the agenda. There was undoubtedly significant value in investing in a centralised and coordinated resource charged with driving the agenda and providing a trusted 'go to' support. Many of the early provisions particularly within the Circle and London BIDs programmes, which enabled free online resources and best practice exchange/networks gave confidence and resources to emerging locations without the need to consider a formal 'opt-in' decision or payment to benefit.

Evidence of quality and innovation was well-articulated and documented through 'formalised' but not mandatory routes (Accreditation; Academy; Awards; Nationwide BID Survey). This provided a sense of confidence and professionalism to a new and burgeoning concept, which helped to present it as an emerging mainstream initiative.

Non-prescriptive legislation enabled 'fit for purpose' models (Variable Levy Rates; Thresholds; Caps; Exemptions etc) that supported the approach of local solutions for local places. For example, some BIDs recognize that due to differing needs of their locality in relation to sector or geography it is fair to charge variable levy rates. In the case of a leisure BID in Birmingham (www.westsidebid.co.uk formerly known as Broad Street BID), due to the intensity of night-time management issues in the core of the district, they charged a higher levy rate within the centre of the district compared to the outer areas.www.westsidebid.co.uk formerly known as Broad Street BID), due to the intensity of night-time management issues in the core of the district, they charged a higher levy rate within the centre of the district compared to the outer areas.

Many BIDs have chosen to use a threshold to exempt small businesses from being mandated to pay the levy whilst they still benefit from the services (and in some cases they offer a formal 'small business club' where businesses can opt to pay a small fee to actively engage) eg. www.betterbankside.co.uk.

In some cases where there is a disproportionately high potential levy payer or number of levy payers, some BIDs have chosen to put a cap in place that ensures no individual business pays more than a capped figure annually. In the case of Paddington BID (www.paddingtonnow.co.uk) a cap was used for the two very large

hotels at either end of their district. www.paddingtonnow.co.uk) a cap was used for the two very large hotels at either end of their district.

Some BID locations have chosen to exempt certain classes of business or sectors. For example, in the early adopters of the concept it commonplace to exempt charities or at the least provide a discount on their levy as it was felt the fully levy would prove unaffordable/inappropriate. However as time has passed it is now considered more appropriate to include charity shops at full levy rate, at the request of the shops themselves, as they wish to be in a position to directly engage with and benefit from the BID services and as such are willing to pay the full amount.

Public support and funding was instrumental in the early years to act as the catalyst/enabler as well as providing a sense of 'legitimacy' to the process. (Regional Development Grants; Local Authority coordination/facilitation). However, the role of the public sector can prove counter-productive if it is seen as the instigator of change by the private sector and therefore this needs to be handled with great care.

5.2 Challenges

- It is important to consider how success will look like? There has been an absence of key centralised/mandatory success measures or methods of reporting in the UK BID model and therefore it is difficult to prove evidential success or otherwise against initial objectives. That is not to say that BIDs have been unsuccessful in the UK, more that it is difficult to show in an analytical manner what was intended and therefore what has been achieved. Within the original pilot programme of The Circle Initiative there were just five locations and these had some clear desired outcomes related to project delivery and formal BID establishment all of which were achieved but the number of locations was small and manageable.
 - Within the UK experience, legislative loopholes have allowed poor/irresponsible behaviours and performance in some locations. This has been particularly noticeable in Consultation and Engagement; the Voting Process; the Annual Reporting; and in relation to general Transparency and Accountability. These shortcomings have largely been managed through industry best practice exchange and voluntary quality targets.
 - There is an absence of an Industry Regulator in the UK and this caused concern from both public and private sectors. Due to the non-prescriptive nature of the legislation there are insufficient quality measures and controls in some locations which is having a negative impact on the BID concept and increasingly there have been calls for a formalised government regulation.
 - Management and Governance is highly dependent on personalities/rare skill sets. This is exacerbated by limited legislative controls, which is allowing mistrust and errors to occur in some locations particularly the smaller ones. Again best practice exchange and industry standards have assisted in raising the bar for all concerned through voluntary mechanisms.
 - Baselines are now meaningless in most locations due to the public funding squeeze in the UK, which has meant the *raison d'être* for the concept has moved beyond 'additionality' towards necessary coordinated investment.
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6. Policy recommendations for the Chilean Experience

6.1 Managing the Scale of the Pilot

- i. What will be the Criteria for Success?

The scale of the Barrios Comerciales programme is significant. Therefore, when considering success measures it is important to identify the various typologies of locations/partnerships and the likely scenarios that may be reached by the end of the three years. Not all locations will or should achieve the same goals/objectives. Some may lend themselves to a sustainable self-funded future with legislative assistance (akin to the BID model) whilst others may never reach a self-sufficient model. Categorising the locations to identify what is achievable in each one will assist in forecasting what the outturn at the end of three years should or could look like. This will also assist in considering the resource allocation from now until the end of the programme. In the UK context, within The Circle Initiative pilot programme, there were five locations that were all chosen for different reasons. Whilst the entire pilot had some standard programme objectives, each location had its own specific conditions which required a slightly different approach.

The main programme objective for The Circle Initiative was –

‘To strengthen Central London’s attractiveness as a place in which to live, work, invest and visit by securing effective long-term private sector involvement in the management of a diverse range of key locations’. This objective was completed 100%. Private sector representation was involved from the start of the programme and increased over the lifetime of the programme. The final phase of the programme with its legal BIDs in place saw a rise in businesses actively involved in the BIDs activities. For example Better Bankside had over 50 businesses either on their Board or at sub group level. The total levy generated by the 5 BIDs exceeded £2.6 million at the start of the formal BID set up, which was being invested in their local areas. The BID areas achieved higher profiles and this in itself attracted further funding for the BID resulting in greater benefits to the BID business membership.

The local partnership objectives were –

- To maintain commercial activity in Central London and ensure access to jobs for local people;
- To reduce crime and fear of crime in Central London locations;
- To improve management and maintenance of the environment in Central London and improve access to areas by public transport;
- To establish partnerships with local communities in our target areas to ensure that they are involved in, can benefit from, and where appropriate, deliver the improvements set out in the bid.

The local partnership objectives were all achieved. Throughout the programme projects were run under all the above headings by all of the partnerships.

The Holborn area (now known as Inmidtown (www.inmidtown.org)) was a commercial office location that was undergoing a transition from a historic hub of the newspaper printing industry that had gradually moved out to cheaper out of centre sites through to a new office headquarters/professional services centre. At the time of the pilot it was part way through this transition and had a relatively poor public realm with associated anti-social behaviour and a number of sites vacant and under construction/refurbishment. The focus for this area was clean and safe; customer/client welcome and orientation; public realm investment; and creating confidence in the evolving commercial area.

The Heart of London (www.heartoflondonbid.london) was predominantly a leisure and entertainment area and the partnership created was led by property owners as opposed to occupiers. The area was suffering from letting difficulties and subsequent low property values and yields. In addition, the public realm was of poor quality, condition and maintenance. The focus for this area was to take a coordinated approach to raising the profile and ‘brand’ of the area whilst improving cleansing and safety which in turn would improve the ability to let property and hence raise values.

The Paddington area (www.paddingtonnow.co.uk) was a traditional declining high street and tourist hotel hub adjacent to a main line rail terminal and a significant new commercial development area. The area suffered poor quality properties and vacancies, poor reputation, and crime and prostitution. The focus for the partnership was to integrate the new developments and investment into the traditional area whilst managing out local crime and cleansing issues and creating a better reputation for the area.

The Bankside area (www.betterbankside.co.uk) was a combination of traditional declining high street, new and evolving tourist destination with the introduction of a world class art gallery (www.tate.org.uk) and a relatively low cost commercial office area requiring improvement. This area also encompassed a relatively high proportion of residential that was predominantly public sector. The focus was to create a sense of place for the emerging ‘new’ area that would become defined as a cultural hub and new commercial office destination.

The Waterloo area (www.waterlooquarter.org) was the most deprived of the five locations within the pilot. And comprised a poor quality declining high street with predominantly small businesses and a street market. The area suffered from low quality and condition public realm together with associated anti-social behaviour particularly street drinking, drugs and homeless issues. The area also included larger commercial offices and a commercial street with two theatres and was positioned alongside a main line rail terminal. The focus for this area was to improve the very basics of the area in relation to cleansing, safety and public realm and to create a greater confidence in the public spaces that would in turn encourage footfall and investment.

ii. Resourcing and Capturing Best Practice

With any new initiative it is important to ensure understanding and recognition of emerging lessons. The activities already developed within the Barrios Comerciales programme are supporting this approach. Continuing this further and beginning to segment the pilot into similar locations/experiences will deepen the exchange of lessons and best practice. Through the London BIDs programme the dissemination and support networks eventually focused on geographical, typographical and sector splits to fully rehearse the similarities and differences being experienced. Within the London context, the relevant sub-groups were the establishment of a specific group for the central London BIDs based partly on geography but more importantly on their relative scale and gravitas compared to the others. In addition there was an Industrial Network established for the BIDs that were based on industrial and business park locations and their issues and scale differed enormously to the other BID locations – in the main they are considerably smaller in resource and more simplistic in their remit.

6.2 Optimising Place Management Expertise

i. Learning from Elsewhere

There are clearly many experiences already learnt and well-documented across the world. Much of the UK experience can helpfully inform the Chilean programme.

The types of intervention that BIDs have delivered has tended to depend on the scale and maturity of BID partnership. BIDs tend to start with the basics of clean, safe and coordinated to essentially ‘clean-up’ the

area and this can last for the entire first term (up to five years) but more usually lasts for the first one to two years before progressing. They gradually move on to coordinated promotion, branding and animating the streets through events, festivals and activities and this is always delivered at least in part within the first term of a BID. As BIDs mature and advance into second and third terms, they take a greater leadership role in the area focusing on place making and place shaping. Clearly the scale of the organization dictates their ability to deliver and in the UK those BIDs with the medium to large budgets, ie. £300,000 to £2,000,000 per annum find it relatively easy to deliver tangible services across the clean and promotion themes. Whereas smaller locations, many of which in the UK have a budget of less than £100,000 per annum find it difficult to resource direct services such as cleaning and instead have to rely on ‘influencing’ improved/enhanced services from the public sector instead.

Many BIDs across the UK have developed innovative initiatives including - cost-saving for businesses (eg. Better Buying at www.inmidtown.org; Trade Waste and Recycling at www.bathbid.co.uk); town-wide wi-fi (eg. www.mansfieldbid.com and www.hinckleybid.co.uk); green audits and green infrastructure (eg. www.victoriabid.co.uk); on-street uniformed presence either in an environmental Ranger capacity and/or a customer service capacity (eg. www.kingstonfirst.co.uk and www.thenorthbank.london); public realm investment (eg. www.colmorebusinessdistrict.com and www.newcastlene1ltd.com); and small business support (eg. www.winchesterbid.co.uk); and community engagement (www.swanseabid.co.uk and www.falmouth.co.uk).

Developing an ongoing dialogue would prove beneficial both in terms of forecasting future resourcing requirements and achievable outcomes as well as providing a sense of legitimacy to the emerging model in Chile. In addition to the UK model, there is much experience elsewhere in the world in relation to informal partnerships and formalized BID-type models.

ii. Engaging with Others

Whilst the Barrios Comerciales project focuses on locations where SMEs are prominent there would be value in understanding other place management experiences currently in Chile where other partners are involved. For example, what experiences can be learnt from locations where the predominant business occupiers are large corporates and/or large national brands. There may be scope to create some opportunities for cross-fertilisation of ideas and experiences especially where larger business areas are tangential to small business areas.

6.3 Considering an Exit/Forward Strategy

i. Beyond the current Programme

The aim should be to achieve a network of well organised BCs that deliver value and benefits to their members and are financially secure enough to plan for the medium term. To achieve this the core change will be to shift to a financial model where the businesses and land owners, and perhaps the local governments, start to pay the costs of the BCs. An initial model for doing this would be on a partnership basis, co-financed by SERCOTEC. However, in the longer term it will be important for the BCs to find paths to becoming substantially self-financing. In the UK experience, and that of Canada, USA, New Zealand, South Africa and others this has involved a number of elements:

- Gradual shift to a membership and levy system to pay for BCs
 - Shift to a model that includes landowners as well as tenants.
 - Aggregation of efforts and resources so that multiple BCs might share resources and capabilities.
-

A self-financing system only becomes possible when members of the BCs start to see material benefits from the BC activities which are greater in financial terms than the costs of resourcing the BC would be. That means it is essential to monitor the costs and benefits so that members are aware of the value generated and the returns that they can expect from financing the BCs themselves.

There are a variety of other considerations that will help to measure progress in the level of maturity of the BCs: such as - level of business engagement; success/impact of projects delivered; additional funding leveraged; willingness/appetite for further activity/investment; support/willingness from the public sector; and capacity to self-manage a partnership going forward - that will come into play as the current programme moves closer to its conclusion.

Clearly not all of the pilots will have made the same level of progress and there isn't necessarily an obvious end that sees the completion of public sector intervention requirements.

If the primary goal is to achieve a network of Barrios Comerciales that can be sustainable without substantial ongoing subsidy then it will be important to consider whether there are differences in the scope for distinctive BCs. For example, we might see three different kinds of BCs emerging:

Developing a typology of different kinds of potential, ongoing support for BCs.

- i. BCs that can be fully self-funding and simply need a mechanism to ensure that all pay and rules to work within.
- ii. BCs that can be partially self-funding but might still need some additional public resources and need to operate as partnerships between businesses and public sector.
- iii. BCs that might not be able to attract any resources from members. These might best operate as a voluntary committee or team on a self-help basis, with occasional public support.

These different models will require distinctive guidance and support frameworks.

In addition, there are important other ingredients that may be important. Consideration might also be given to how larger firms and other civic organisations can become involved in helping to finance the BCs. Also there may be a case for utility providers to help make BCs happen.

6.4 Key challenges

- i. Future partnership models

Advanced locations may create a sufficiently developed partnership that is in a position to consider a formalised structure that could include a mandatory levy. This would require parallel investigation into the necessary legislative steps to enable this.

Neighbouring locations may benefit from a multi-site management approach where geographically relevant locations could be managed long term by a coordinated resource making the approach more cost-effective. Smaller and less advanced locations may require ongoing resource that could be supported through commercially-driven initiatives and/or ongoing public sector intervention.

ii. Future Organisational Structure

There is strong evidence from the UK experience that demonstrates maintaining a formal ‘organisation’ beyond the pilot phase is greatly beneficial to the ongoing development and evolution of the concept.

In the case of London, the original five pilots organised through The Circle Initiative became the catalyst for London Government to invest in a regional programme of support – the London BIDs programme. The London BIDs Briefing demonstrates the type of activity that the regional programme was carrying out that ensured the momentum of the initial pilot was maintained; best practice and learning was disseminated; and policy intervention and advocacy was evidenced and encouraged. It is unlikely to be coincidence that over the seven-year period (2004 to 2011) The Circle Initiative and subsequent London BIDs programme created a 100% success rate of BID ballot and a considerably higher number of BIDs than any other region of the UK.

Consideration of options of future organisational structure might include – continuation within the current host organization; establishment of a new organization hosted/in collaboration with a similar/appropriate organization; establishment of a stand-alone organization; establishment of a new departmental team within one of the government ministries. In the case of the London BIDs programme, this was a publicly-funded programme delivered through competitive tender by a private consulting firm commissioned and contract-managed by London Government.

iii. Smarter partnerships for future businesses

There are major changes at play in our world connected to new and advanced technologies that are reshaping the relationships between people, economy, planet and place. These technologies are leading to the emergence of 4 new kinds of economy in cities that barrios Comerciales need to be aware of, and take advantage from.

The sharing economy is a result of technologies, apps, and new business models that enable us to more fully utilise assets such as cars, houses, equipment, clothes, pets, and much more. Technology

makes it possible to share these things much more easily and drives a reduction in direct individual ownership in favour of shared ownership or occasional renting. Companies like AirBnB and Uber that facilitate this kind of sharing are now big businesses, and their growth has disrupted traditional business models for hotel and taxis, for example. For barrios Comerciales the sharing economy provides an opportunity to create shared places and facilities that multiple people will use. That means public space, shared computers, WiFi networks, shops that ‘rent’ rather than sell products, meeting places and party venues that can be rented, and even shared kitchens and bathrooms. This sharing economy comes at a time when average house sizes are getting smaller and the populations in cities grow. The successful barrio will be able to provide people who live in smaller dwellings the chance to share facilities at a neighborhood level.

The circular economy refers to the new economies in waste, energy, water, construction materials, food, and urban agriculture. New technologies enable us to both re-use and to regenerate these resources at a local level. So, we can use old buildings materials to build new construction, we can purify water locally, waste can be turned into energy through bio-mass and other processes. Urban food can be grown using waste as fertiliser and light as energy. Barrios can develop their combined heating, energy, and lighting systems that circularise the key resources using them again, reduces waste and cutting carbon emissions. These processes are good for our planet and they also reduce costs to businesses, and enable us to share water, food, light, power between neighbouring companies and families. This is a form of smart urbanism where barrios Comerciales can take a lead.

The experience economy refers to the core strategy for tackling the competition that comes from online sales of products, services, and information. The growth of online retail has been especially disruptive for commercial districts, with many shops closing down. The experience economy approach suggests that if physical high streets and districts are to survive they must focus on providing a competitive customer experience. They must provide something you can't get on line. That means mixing retail with food, entertainment, public space, gathering places, festivals, celebrations, exhibitions, live launches, attractions and a very warm welcome in a safe and attractive environment. And, at the same time they must use digital technologies such as WiFi networks, big data, sensors, and to create online communities that support the barrio, offer incentives, memberships, & discounts, and communicate the wonderful diverse experience that the barrio offers so that people remember the fun that can be had when they visit. Embracing the experience economy involves the barrio starting to think like a club, a luxury hotel, or a well-run airline. We think of 'members' rather than 'customers' and try to generate loyalty and a sense of belonging through experiences that can't be matched on line. We try to make the barrio a place where people want to 'dwell and relax' because the more they do that the more money they spend in the local businesses of the barrio.

The platform economy is a way to describe the economy of activity that is enabled by larger data platforms and systems integration.

For the Barrios Comerciales there are two important opportunities here. The first is the potential to host and foster new innovation companies working in the industries of digital media, apps, green technologies, smart mobility, and the circular economy. These companies have a high propensity to locate in urban areas where there is affordable property, good local services and great social experiences. Therefore, providing the right mix of flexible business units, WiFi and deep internet systems, and social places might be one way to attract these entrepreneurs and small firms increase the businesses in the barrio.

The second big opportunity is the role of smart urban technologies. When we think about the internet of things we consider how household goods might communicate with each other or how defence and policing systems might interact. But at the level of the barrio it is the ability of new system of tracking urban behaviour through sensors mounted in lamp-posts or bus stops or pavements or curbs that is important. These systems can now also interact with payment systems in shops, with stock ordering software, and with lighting and heating systems. These integrated systems have many usages. They

help to make traffic more efficient, provide advice on parking, help us understand when the streets are most busy, and why, and even provide smart information on changes of the behaviour of people as the spend time in our barrio. They can provide insights about to manage crowds and how to get the barrio fuller for more of the day.

So, although the new economy appears to hold many threats to local commercial barrios, if they are well organised they can use these 4 new economies to take advantage and be more attractive.

7. APPENDIX

7.1 Case studies of BID/BIA/CID development strategies in selected world cities

Given the potential of such partnerships to add to local development, and their role of local governments in regulating and supervising their creation, several city governments have chosen to actively support the development of such district management organisations through strategies that involves a range of tools such as good practice guidance, co-investment, start-up training, networks, awards, and conferences.

Case studies:

Summary of Business Improvement Districts in six cities

	Toronto	New York	London	Cape Town	Santiago	Auckland
No of Districts	81	72	51	~30	11	48
Date of inception	1970	1984	2005	1999	2014	1990s
Growth strategy?	?	?	✓	?	✓✓	?
Guidance	✓✓	✓✓*	✓	✓	✓✓	✓✓
Co-investment	✓	✓	✓✓	✓	✓	✓
Training	✓	✓✓	✓*	x	✓	✓
Awards	✓✓	x	x	x	x	x
Network	✓✓	✓✓	✓*	✓	✓✓	✓✓
Conferences & events	✓✓	✓	✓	?	✓✓**	x
Other	Provincial support		National support at start of programme		National support	

✓ - some resources

✓✓ - strong provision

? - unclear

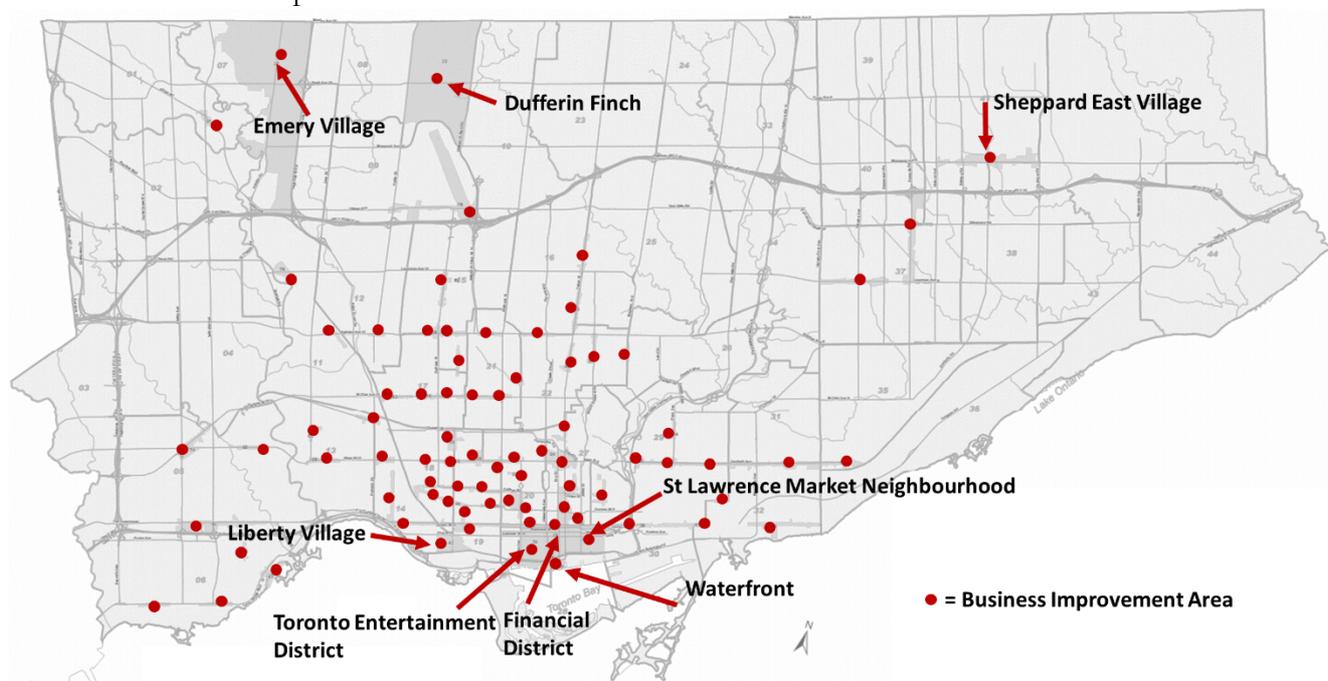
x – limited or absent

*partially or wholly through third-party non-profit associations

**At national level.

1. Toronto- Business Improvement Areas

Toronto's Business Improvement Areas



Toronto is the birthplace of the Business Improvement Area (BIA). Its first one (Bloor Jane) was established in 1970, and created the template for others. Since then, its network of BIAs has expanded significantly – to 40 in 2001 and to over 80 today. It now has the highest concentration of BIAs in North America.

Its largest in terms of activity and financial capacity is the Toronto Entertainment District BIA. With an annual budget of over C\$3.5m, it is proving key to regenerating parts of Toronto's cultural quarter – notably through its capital investment and involvement in master-planning for the area. Other large BIAs include St Lawrence Market neighbourhood, with a C\$1m budget, and the Financial District at C\$1.6m. The former is also involved in masterplanning for its neighbourhood, especially in terms of upgrading the physical quality of its district in partnership with the City. The Financial District has recently run an assessment of its public realm to highlight the areas it needs to work with the city to upgrade, which complements its neighbourhood business and demographic intelligence offer to local businesses. With most BIA budgets closer to C\$250,000, some are as small as C\$20,000 – and together they invest over C\$30m across the city.

Toronto's network of BIAs is today highly organized. The City facilitates their establishment and provides guidance to their operations through online resources. In addition, the Toronto Association of Business Improvement Areas (TABIA) coordinates the work of the BIAs and provides a common forum, networking and resource platform to promote their role in the city. On top of offering seminars, conferences and events, it also participates in city and provincial level consultations over small business regulations, and fosters collaboration and joint working among its member BIAs.

Levies provide the main source of finance for Toronto's BIAs (around 90%), with the remainder from public grants (especially for street investment). There is notably little non-levy private investment. Most funds go towards public realm management and promotion, including 160 street festivals and events a year. St Lawrence, for instance, had organised BBQs in parks and plays, while working on cycling and

pedestrianisation projects. The Entertainment District BIA has provided neighbourhood level retail and mixed-use development opportunity assessments, and has a comprehensive capital investment plan for its key arteries (e.g. King Street).

1.1 New York- Business Improvement Districts (BIDs)

New York's BIDs



With 72 BIDs to date, New York City has the highest concentration of BIDs in the United States, and certainly some of the most famous including the Times Square Alliance, the Downtown Alliance and the Grand Central Partnership. Collectively they raised over \$134m in 2015, and spent \$127m. The largest, the Downtown Alliance, spent just under \$20m. The median BID spends more than \$1m each year.

New York's BIDs have diverse funding streams. While on average 75% of their 2015 income came from levies, fundraising represents 7% (\$9.4m), while revenue from contracts and commercial activities comprises about 9%. Grants include the public funding of plaza improvement programmes (5%), and other public sector contributions (1%). The largest BIDs, with budgets larger than \$5m, generate only two-thirds of their revenue through levies. Commercial activities are more lucrative, generating 12% of their funding, followed by 9% for fundraising. Among the smaller BIDs, the levy accounts for a higher share of their revenue (c. 90%).

Sanitation is the biggest item of expenditure across the 72 BIDs – at 25% of the total. Street cleaning has been one of the main drivers of early BIDs in New York. Efforts to revitalise areas such as Times Square

from littering and general neglect were among BIDs' first acts at a time where inner-city retail outlets were suffering from general urban decline. While today the acute need has declined, street cleaning is in a way part of New York's BID legacy, as the two were considered synonymous up to the 1990s. Public safety accounts for 16% of total expenditure, although New York is today a lot safer than when BIDs were first introduced, but still attracts significant investment especially through a visible, uniformed presence with direct links to the police.

Unlike many other BID programmes around the world, New York also funds significant social services and business development programmes, which account for 14% of spending – the same amount as marketing and promotion activities. Capital improvements and beautification stand at 11% of expenditure.

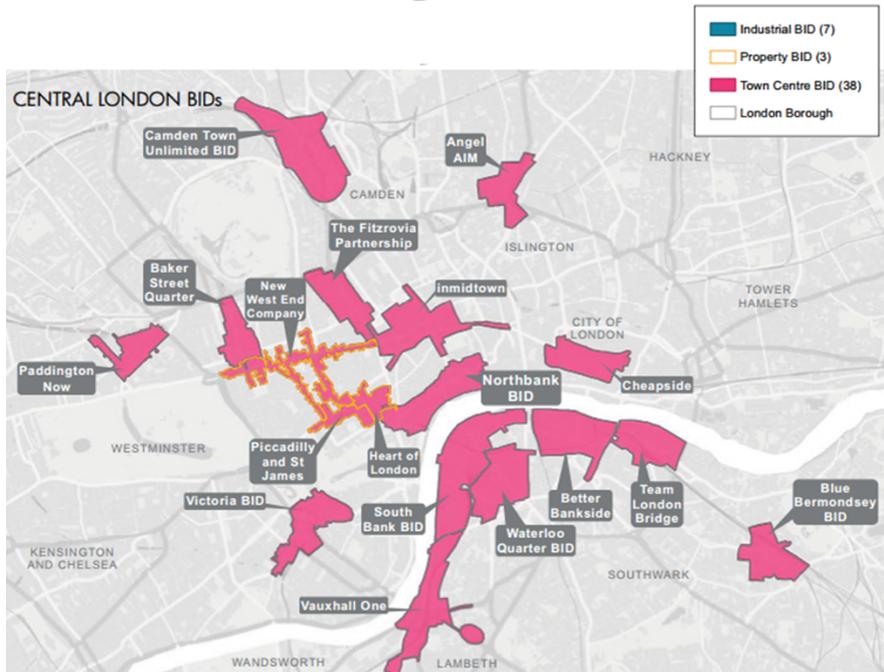
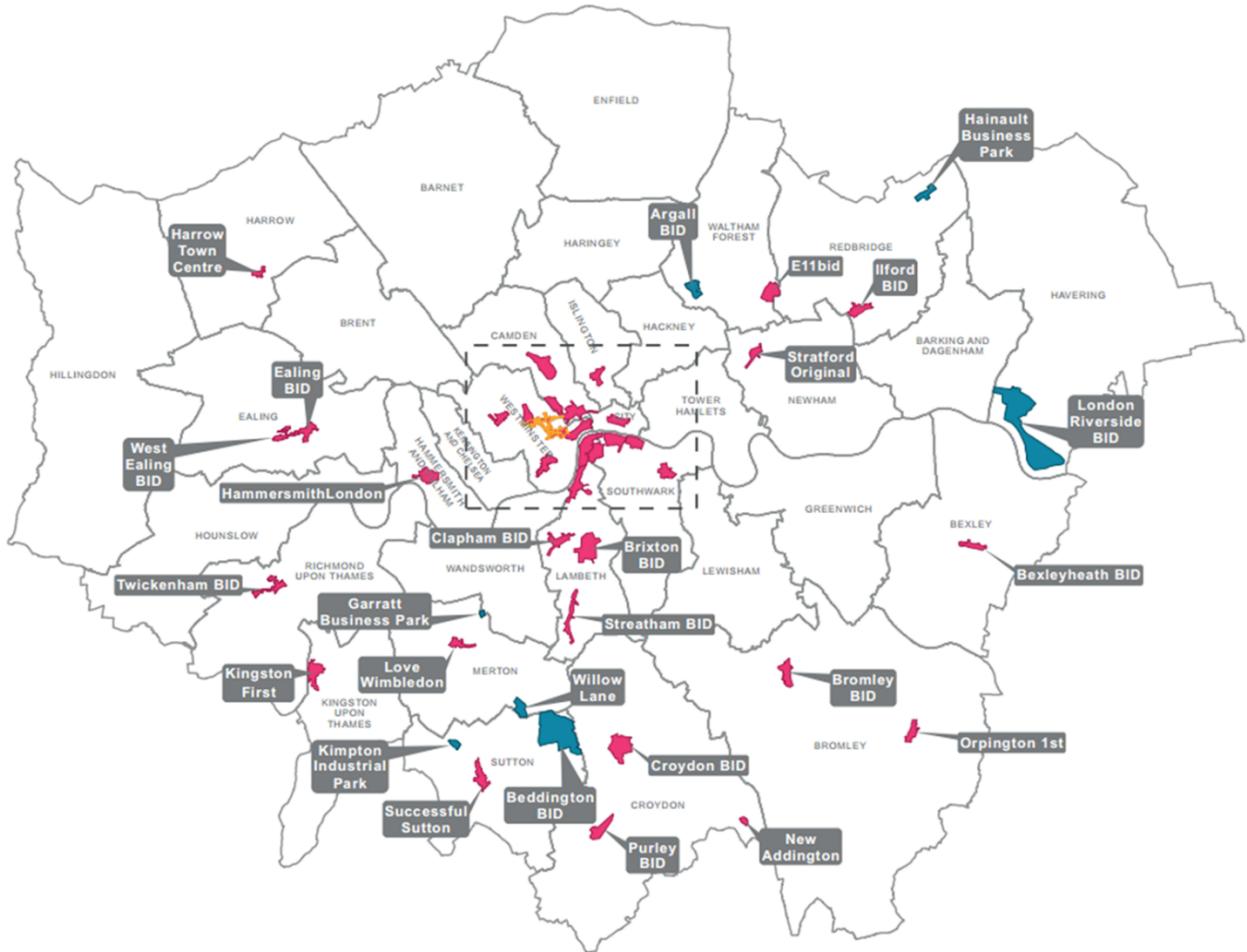
The Times Square Alliance has been a pioneer in marshalling diverse sources of funding for its activities, notably through its Museum, visitor centre – but also putting on large scale events such as the New Year's Eve countdown and "Broadway on Broadway". The Downtown Alliance runs "Nights at the Museum" events, runs a free bus services to connect consumers to local businesses, and has a "culture pass" to offer discounted access to cultural attractions. Most of New York's BIDs also run retail, residential and real estate market assessments for the benefits of their businesses and offer planning input to align city interventions with their vision for public realm upgrades.

New York's BIDs involve 85,000 businesses in total, with nearly 90% of them linked in one way or another to the city's Small Business Services department which is a prolific provider of training, resources and financial assistance. It also assists in coordinating BID activities and neighbourhood development, channeling city funding to relevant BID needs. It further acts as a point of contact between the Mayor and the BIDs, and organises an annual BID conference. Its role is complemented by the NYC BID association, a not-for-profit umbrella group which promotes best practice sharing and networking among the city's BID leaders.

For years, New York's relationships with BIDs were tense – especially under Mayor Giuliani who sought to limit their autonomy at a time when the BIDs were taking into their own hands the response to the perceived decline of New York's urban realm. Under Mayors Bloomberg and De Blasio, this relationship has improved considerably – with a big expansion in the number of districts and their funding.

1.3 London- Business Improvement Districts

London and Central London’s BIDs



London now has 51 BIDs – a rapid growth considering that they were only introduced in the UK in 2005. Put together, they raise just under £25m in levies a year, with an additional £5.5m in non-levy funds, and host 61,000 firms. London's largest BID, the New West End Company, raises over £3.6m in annual levy income, complemented by nearly £1.5m in additional revenue – mostly private sector donations (over £800,000) or commercial income. Other London BIDs are more dependent on the levy, with only Kingston, Camden Town and HOLBA gaining more than 30% of their income from alternative sources. Overall, alternative income sources account for an average of 18% of income in 2015, with nearly 70% of BIDs reporting help from local government grants (especially for the smaller BIDs), and just over half citing voluntary business contributions (among others). Property owners and sponsorship were also significant sources, with some additional funding from Transport for London and the Metropolitan Police.

A recent report released by the Greater London Authority ran a SWOT analysis of London's BIDs. It noted the following strengths:

- a reliable income stream
- nimble responses to local issues
- funding diversification
- strong investment promotion activities

Its main weaknesses are viewed to be:

- a lack of public profile and support
- tensions between property and business owners in terms of the levy
- lack of funds relative to ambitions.

Over half of London's BIDs run events, engage in place marketing (e.g. events, street markets), lobbying and advocacy, community safety and environmental management. Many run employment initiatives, and have regeneration schemes in place. Their involvement in policy affairs is more limited than in the US and Canada.

Econometric research from 2004 to 2015 has suggested that BIDs in London have performed somewhat better than many other areas. The voter turnout in BID renewal has been rising, suggesting perceptions of success at the district level.

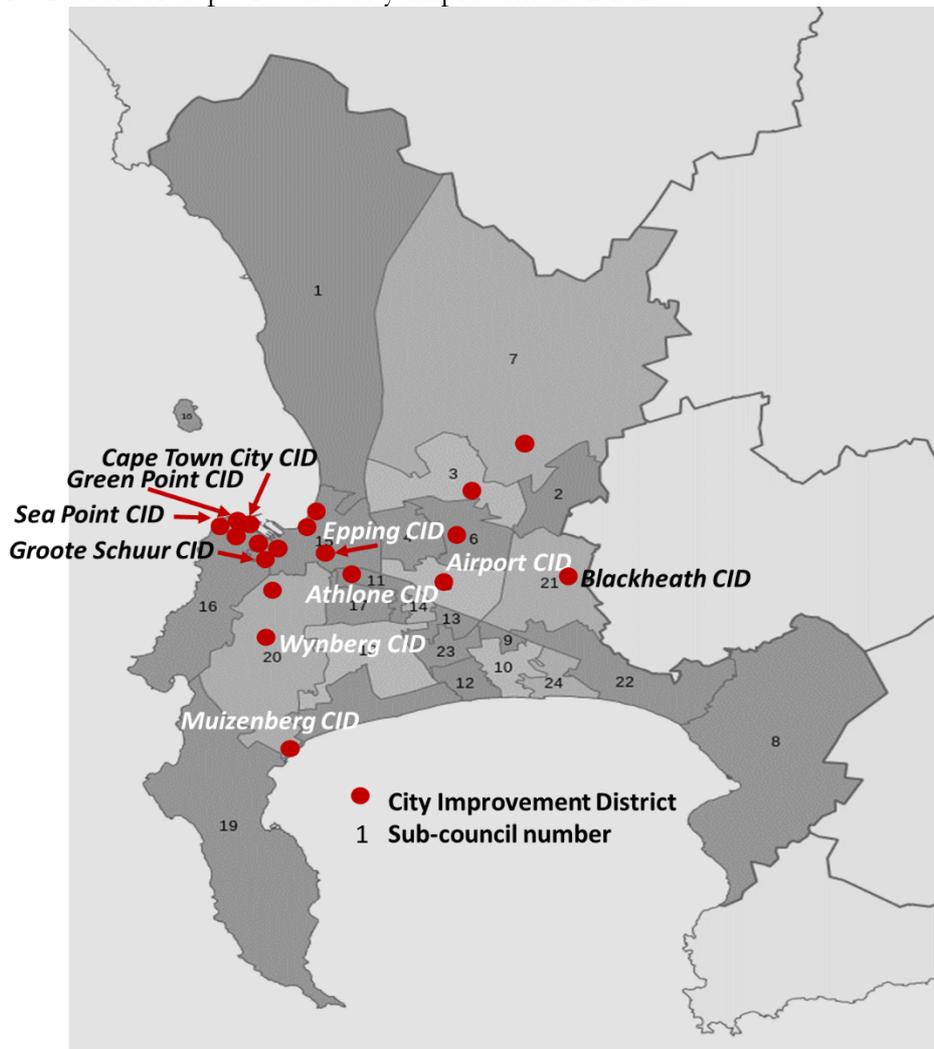
Cooperation between BIDs and London boroughs has proven to vary from location to location, with some engaging in particularly close knit collaborations over project and service delivery (such as Lambeth, which runs bi-monthly liaison and co-operation meetings with its BIDs). Wider and more institutionally rooted collaboration mechanisms are still young and haphazard however, although City Hall has been strongly supportive in the establishment of BIDs and has been willing to co-finance start-up costs with Boroughs. At a sub-regional level, a Cross River Partnership has been set up with 15 BIDS and 8 boroughs covering many of central London's key districts, and collaborates on pilot programs to achieve economies of scale in service delivery. For now, London currently lacks a city-wide umbrella organisation to coordinate its BID network, with much ad-hoc collaboration negotiated through the national BIDS organisation and the Association of Town Centre Management, or through BIDS mentoring each other. Neighbouring districts are also attempting collaboration arrangements by sharing services and generating economies of scale.

The last Mayor – Boris Johnson - was a strong supporter of BIDs, and through the London Enterprise Panel – responsible for economic advocacy – has marshalled funding for start ups and programme support, as well as learning and networking events. These have included local authorities, BIDs and other public service representatives (e.g. police, transport) to deepen learning and awareness. Office guidance

through booklets for initial start ups has also been highly rated by the BIDs – but not all BIDs are necessarily aware of it. Discussions are currently ongoing as to how both BIDs and local authorities can strengthen their collaboration over service funding, institutional linkages, best practice learning, and regeneration. On the whole, London’s BID architecture is dynamic but less well organized than that of New York or Toronto which have had a longer history in the field.

1.4 Cape Town- City Improvement Districts

A selection of Cape Town’s City Improvement Districts



Note: not an exhaustive list.

City Improvement Districts (CID), as they are called in South Africa, emerged in Cape Town in 1999. A concerted effort by the city’s Chamber of Commerce and the Property Owners Association – responding to the business sector’s concern about a declining CBD and perceived issues of “crime and grime” – led to their formal creation and the introduction of a compulsory property-owner levy.

In the central city, they were for a long time linked to the Cape Town Partnership (CTP) – a non-profit forum and advocacy organisation, subsidised by city authorities, which has been an active player in influencing and elaborating policy in the region. The CTP incubated Cape Town’s most famous CID, the Central City Improvement District (CCID). The latter continues to act as the CTP’s “implementation”

body in the city, providing traditional BID services such as streetscaping, cleaning, security and promotion. Follo

wing successes in reducing central city crime rates, the CCID's initial focus on crime has now shifted to a broader agenda around urban regeneration, with strong partnerships with the city government over public realm upgrades, and with NGOs and businesses over poverty and homelessness. In addition, the CTP and CCID have been involved in formulating the Central City Development Plan for 2008-2018, and are active partners in policy formulation and execution in regenerating Central Cape Town.

At a broader city level, there are currently around 30 CIDs in Cape Town. Many have strong links with the CTP, but the CTP no longer manages most of the central city districts. It has nonetheless been a key player in initially guiding CID establishment in Cape Town, although a more formal city-wide assistance and guidance structure is currently lacking. There is also no comprehensive training provider and wider metropolitan CID support network as there often are in other cities, although the CTP does play a key role as a policy and liaison forum between businesses and city government.

1.5 Chile and Santiago de Chile- Barrios Comerciales

Barrios Comerciales (BC) in the Santiago Metropolitan Region



Note: Melipilla is outside the boundaries of this map, while data was unavailable for the 11th BC.

Santiago de Chile has 11 of Chile's 64 Barrios Comerciales (BCs) – the Chilean equivalent of BIDs. BCs in Santiago and Chile have the particularity of being nationally mandated and coordinated, as opposed to locally initiated. They were established as part of the National Agenda for Productivity, Innovation and Growth driven by President Bachelet, under the auspices of a joint strategy elaborated by the Ministries of

Economy and Housing and Urban Development. They were identified as a necessary response to the decline of inner-city retail districts in the face of suburban development and the proliferation of malls. Thus the BC programme in Santiago and Chile as a whole is distinctive in being a nationally organised partnership between local communities, businesses, municipalities and the central government – with strong central steering, but local ownership of development priorities. The state is particularly active in providing the technical and financial resources necessary to run BCs through conferences, seminars and technical assistance, performing a service usually left to local authorities in other countries.

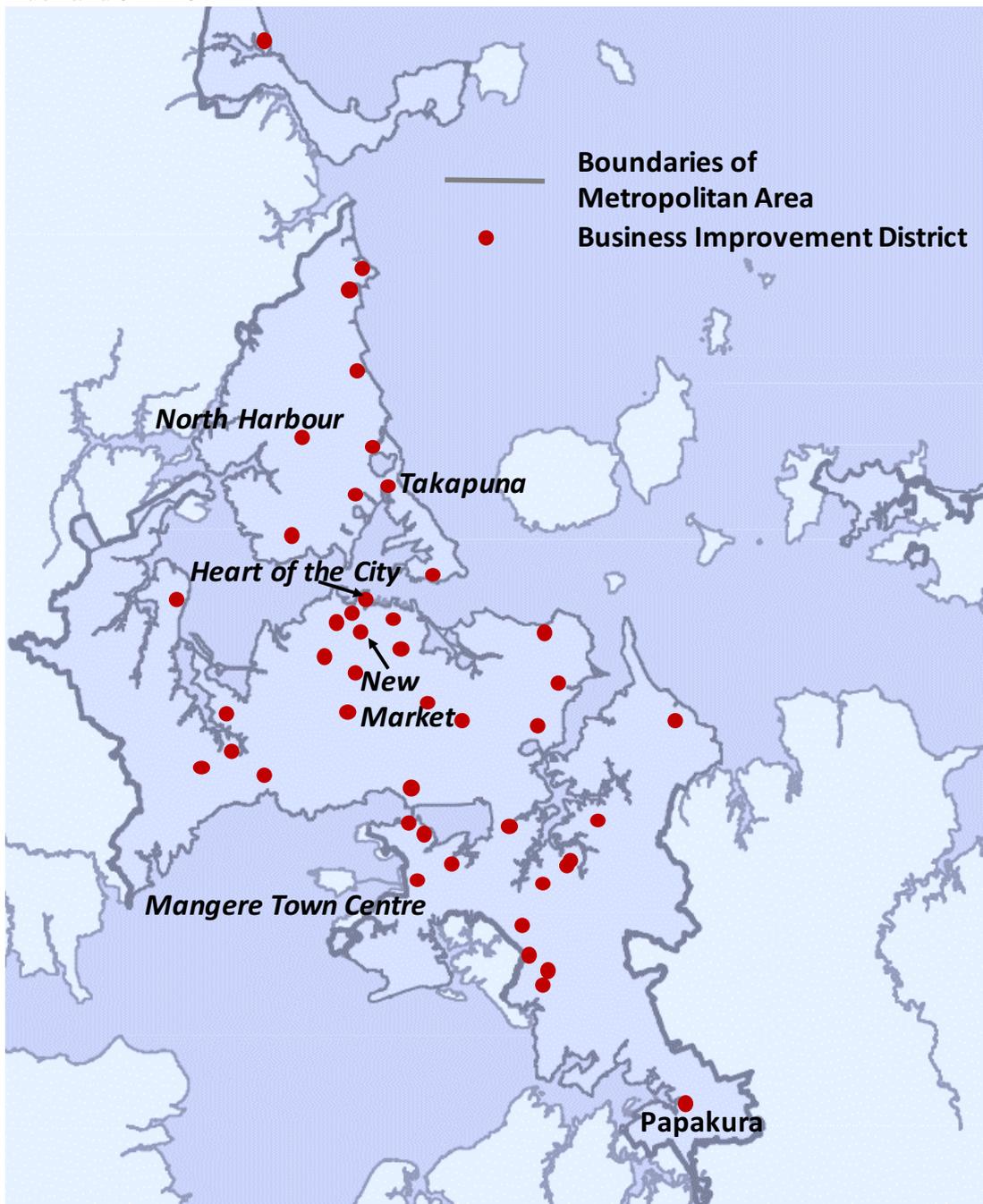
1.6 . Auckland BIDs

Auckland runs a large Business Improvement District Partnership programme, as it is keen to support – and leverage – the business sector’s assets to fulfil its strategic vision of becoming “the world’s most liveable city”. The policy is closely aligned with the objectives of the Auckland Plan, as the city encourages BIDs to pursue initiatives that will contribute to fulfilling its strategic vision. The partnership offers guidance and some support to local BIDs, and provides a policy dialogue platform between businesses and the city. Auckland currently has 48 districts – impressive considering the city’s size, with roots going back to the Mainstreet Improvement Programs of the 1980s and 1990s. Auckland’s BIDs, as is the case for most of New Zealand, are mainly funded from a targeted rate on property owners. Further financing options are available, although the majority rely more strongly on the levy than their British or American counterparts.

Auckland’s BID Partnership Program offers strong guidance on how to set up and govern a BID – and how to best cooperate with the council, with some initial finance for BID start-up (although financial support is less pronounced in latter stages). A key feature of its BIDs policy are the formal and informal links between councilors and BIDs, with the former deemed well placed to share best practices and potential policy ideas, and to offer guidance on liaising with the local authority. Auckland Tourism, Events and Economic Development (ATEED), a city agency, provides further training and guidance to businesses and BIDs on how to run the district, and can help elaborate Joint Business Development initiatives within the BIDs. It has been notably active in putting together promotional activities with BIDs when it aligns with the city’s wider objectives. In 2014 for instance, it also co-developed and ran a TV advert promoting Auckland with the city centre BID, Heat of the City.

Auckland therefore has a strong local network of support among Auckland’s BIDs. That being said, much of Auckland’s Council’s involvement occurs in the initial stages of BID operation, as BIDs are later encouraged to take the initiatives when it comes to forming partnerships, alliances, initiatives and policies. Beyond Auckland Council, private companies have been active in helping to get the BIDs off the ground in Auckland and New Zealand, in particular Business Lab which has a track record of success in the region.

Auckland's BIDs



Note: Pukekohe and Waiuku are out of the boundaries of this map.

Auckland's BIDs are involved in a wider range of activities than many of their peers in the UK, Germany or the US. The largest, which include Heart of the City (city centre), Newmarket and Takapuna perform the whole range of BID functions, including active involvement in urban planning, business networking and large scale national and international promotion. The Heart of the City, for instance, is running a study on the future of the Port of Auckland to sketch a policy vision it can discuss with the council. Takapuna runs a high-tech entrepreneurs club in conjunction with ATEED to attract ICT talent to its district, as part of city-wide business networking initiatives. Other smaller BIDs also tend to run innovative community projects. Rosebank has a Youth Connections program, for instance, designed to help young people get into work through a series of workshops to put businesses and young people in contact.

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The report was delivered in partnership with The Business of Cities and The BIDs Business

About the Lab

The **UCL City Leadership Laboratory** brings together world-class academic scholarship, public authorities, international organizations, the private sector and local SMEs to create a unique environment for urban experimentation, research, teaching and – most importantly – action. The Lab builds on three years of projects, grants and activities of the City Leadership Initiative, a joint effort of the World Bank Group and United Nations Human Settlements Programme (UN-Habitat), with funding from the UK Government's Economic and Social Research (ESRC) and Engineering and Physical Sciences (EPSRC) Research Councils. The Lab sits within UCL's policy-focused **Department of Science, Technology, Engineering and Public Policy** (UCL STEaPP) and has links across UCL's network of urban research and practice.

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