

A MESSAGE FROM THE CHAIR OF THE BID TASK GROUP

Hello and welcome to your Main Street BID Newsletter, where we will be answering your questions and keeping you updated as Main Street & Surrounds work together to become a Business Improvement District (BID).

You may have seen in local press that the enabling legislation required for Business Improvement Districts (BIDs) to exist in Gibraltar was unanimously approved by MPs in parliament. This means it is now possible to plan and host a ballot, where all relevant businesses in the BID area will have the chance to vote on whether we would like to see the projects outlined in the Business Plan brought to life over the next five years.

Having listened carefully to feedback, the BID Task Group have addressed the following key issues:

- 1. Business owners have said that they're busy and short staffed during the summer season and need time to concentrate on running their business.**
- 2. Businesses said they would like more time to consider the proposals that would go into the Business Plan.**

In response to this, the Task Group feels that it would better if the ballot is rescheduled to 1st – 29th September 2021 and that the time in between is used to further engage with local businesses. This also means that if the BID ballot is successful in September, there will be no payment until at least January 2022.

The rest of this newsletter will set out answers to some of the questions we've encountered from businesses most recently. Thank you for your time and interest.



GEORGE RUSSO
Chair, Main Street &
Surrounds BID Task Group

How does the BID work?

The BID Task Group, made up of business owners from all sectors and areas of our town centre, have developed a business plan based on extensive research carried out to date, including the 2018 Main Street Review, surveys, business consultation, consultation with other key stakeholders and professional support of international place management specialists, The Mosaic Partnership.

The Business Plan sets out businesses' priorities for improvements for the area as well as how the BID will be managed and operated – all relevant businesses in the area will get to vote on this five-year plan. Upon a successful vote, the BID will become a professionally managed, not-for-profit organisation with the responsibility for developing the projects outlined in the Business Plan.

These projects will be funded by businesses, with each relevant business in the area paying a levy each year of the five-year project, as well as HMGOG, who will also be contributing each year of the five year project lifespan. At the end of the five years, a new business plan will be developed, and businesses will have the opportunity to vote on whether they would like to see the BID project continued.

It's time to work together to become the beating heart of Gibraltar – a thriving business, shopping and leisure destination we can be proud to call our own!

More questions answered overleaf

Do BIDs actually work?

Yes. BIDs have been around since the 1970s and have continued to grow in popularity because of the big benefits businesses see. There are now over 2,000 BIDs around the world, including over 300 in the UK. In the UK alone, BIDs raise over £150m in total, with individual BIDs raising anywhere from £100k to £30m. Currently, over 100,000 UK businesses pay a BID levy. Businesses continue to vote for BIDs time and time again because of the positive impact they've had, with 9 out of 10 re-ballots (voting on whether to continue the BID after its initial five year term) successful. In addition to this, governments are increasingly preferring to distribute their own business support measures through BIDs as they benefit from a formal legal structure and corporate governance.

Is the Main Street BID being run by the Government?

No. A BID is normally developed and managed by businesses through a not for profit company. The purpose of the BID is to improve the economic landscape of a defined area by giving more control of it to the businesses that make up that area – a BID is run by the businesses, for the businesses.

Later this year, all businesses within the BID area will go to vote on the BID Business Plan (available online at www.mainstreetbid.com/downloads). Upon a successful "yes" vote, a company limited by guarantee (not for profit) will be set up and will be run by a board of directors made up of business owners from the BID area. The board of directors are not paid and work voluntarily on your behalf. Each year, board elections will take place, meaning that every business owner will have the opportunity to put themselves forward for a position on the board. The board will be tasked with running the BID company, and undertaking the projects outlined in the BID Business Plan.

Although the BID is not being run by the Government, HMGoG has been incredibly supportive of the project, and has made the generous commitment to contribute towards the project and significantly increase the money we have to invest in our place.

Why are all businesses within the BID area included – shouldn't it only be for shops, bars and restaurants?

The Main St BID isn't just an events and marketing company. It aims to manage the whole place including improving the environment and the economic growth. This is why it wants to include all businesses. Although some projects may on the surface appear to have more of a direct positive impact on certain business sectors, the indirect benefits of these will positively impact the area as a whole.

For example, marketing to tourists may directly benefit shops, restaurants and hotels more than other businesses, however, if these businesses do well, they demand more products and services of other business sectors, as the positive economic impact circulates.

There are also a number of proposed initiatives in the plan that will directly impact businesses across all sectors, such as the preferred supplier programme. This programme will aim to procure a wide range of business services and products at a reduced rate, exclusive to businesses within the BID area – giving your business both direct cost reductions and a competitive advantage over businesses falling outside the BID area. The BID will also look to create employee benefits; provide countless marketing opportunities; represent businesses on issues impacting the area; act as a stronger voice for businesses with significantly more impact; improve the look, feel and value of the commercial area; and much more. The Main Street & Surrounds BID Business Plan aims to provide high return on investment across all sectors. Please see the BID Business Plan (available online at www.mainstreetbid.com/downloads) for more benefits to professional and service-based businesses.

Why are side streets included – won't this only be valuable for businesses on Main Street?

No, the BID Business Plan has been developed to benefit businesses in all areas. The traditional model – of town centres depending on a single high street where people come to shop – is broken. While Main Street is an important part of our town centre, focussing on one street alone isn't sufficient. A thriving town centre is a place where local residents, tourists and employees come together for many different reasons, and use all of our town centre, not just one street.

Some of the proposed initiatives in the plan that will directly benefit businesses in side streets include opportunities to market to both local residents and tourists; improved signage, wayfinding and circulation around the town centre for visitors; specific development and promotion of side streets and alleyways; development of themed tours to drive footfall to traditionally quieter areas; reduction of business costs through the preferred supplier program; employee benefits; and much more. Please see the BID Business Plan (available online at www.mainstreetbid.com/downloads) for more benefits to businesses in side streets and alleyways.

Does this mean the Government will stop delivering or reducing services?

No. BID money can only be used to carry out projects/services ADDITIONAL to those that public services have to provide. Prior to the BID business plan being produced, the current services being delivered by all public agencies including HM Government of Gibraltar (HMGoG) and Police are set out in Baseline Statements. This means that HMGoG continues to deliver that level of service. The BID Company can agree to provide additional resources to deliver a higher level of service over and above the benchmarked level is this is what businesses have identified they want.

Who's supporting the BID?

The Main Street & Surrounds BID will be managed by the businesses, for the businesses, and has the full support of hundreds of businesses consulted with, the Gibraltar Federation of Small Businesses, Gibraltar Chamber of Commerce, Hindu Community of Gibraltar, Gibraltar Law Council, as well as numerous other interest groups and associations. In addition to this, the BID has the support of HMGoG and all Gibraltarian political parties.

Now, more than ever, businesses must work together to develop a plan to secure our collective future, and the Main Street BID has the opportunity to form an important part of this.

Can I still join the BID Task Group and what will be expected of me?

Yes, any eligible BID Levy Payer can join the Task Group. BID Task Group members will need to be able to give at least 1 hour per week voluntarily. This will be taken in engaging with fellow businesses, telling them about the BID, guiding the overall development process and supporting the Task Group leading up to the ballot. The intention with the Task Group is to represent all businesses sectors of the BID area (Retail, Office, Food & Drink etc.) and all support is welcome.

I don't want to join the BID Task Group, but can I still be involved?

Yes, you can. Engaging with businesses throughout the pandemic has been difficult, so if you haven't spoken to a member of the BID Task Group yet to communicate your views, you can book a consultation by emailing hello@mainstreetbid.com. You can also become a Champion for the BID if you don't want to join the Task Group and help spread the message.

Who gets to vote?

The registered ratepayer (usually the tenant) for all eligible businesses gets the vote.

Who conducts the ballot?

The ballot will be conducted independently of the BID organisers by Isolax. Ballot papers will be sent by post to each relevant business ahead of the ballot, and business owners will be able to return them between 1st September and 29th September 2021.

What will happen if the ballot is successful?

A 'Company Limited by Guarantee' (not-for-profit organisation) will be incorporated to manage the BID projects. Arrangements will be made to bill and collect the BID Levy and the projects in the business plan will start to get delivered.

Who will run the BID Company?

A BID is run by the businesses, for the businesses. The company will be overseen and managed by a board of directors, as well as being professionally staffed. The board will have up to 15 directors primarily made up of representatives of levy paying businesses and also key stakeholders. The board will serve voluntarily (without payment) and will be composed to reflect the make-up of the BID area in business sectoral terms. The board of directors will be directly accountable to BID levy payers for:

- Effective delivery of the projects and services as set out in the BID business plan.
- Upholding and promoting the BID's vision and objectives.

All levy payers will have a stake in the BID company. They will ultimately control, as members and through the directors, what the BID funds are spent on and can hold the BID company accountable throughout the duration of the five years. In Year 1, the BID Task Group who have been involved with the development of the BID will form the interim board to allow for continuity. Elections will then take place to establish the board from year 2 onwards. Any levy payer or voluntary contributor can stand to be elected onto the board during this process. Board positions are laid out below (up to 15 in total):



Retail x4



Office/Commercial x2 | Food, Drink & Leisure x2 | HM Government of Gibraltar x2 | Other x2



Property Owner x1 | Interest Group x1 | Investor Member x1

Remember, the Main Street & Surrounds

BID is developed, managed and

controlled by you, the businesses!

When will I get my bill and how much will I pay?

The first bill will go out at the earliest in January 2022. The money will be collected by HMGoG, then transferred to the BID and is under the control of businesses to spend delivering the agreed projects set out in the Business Plan.

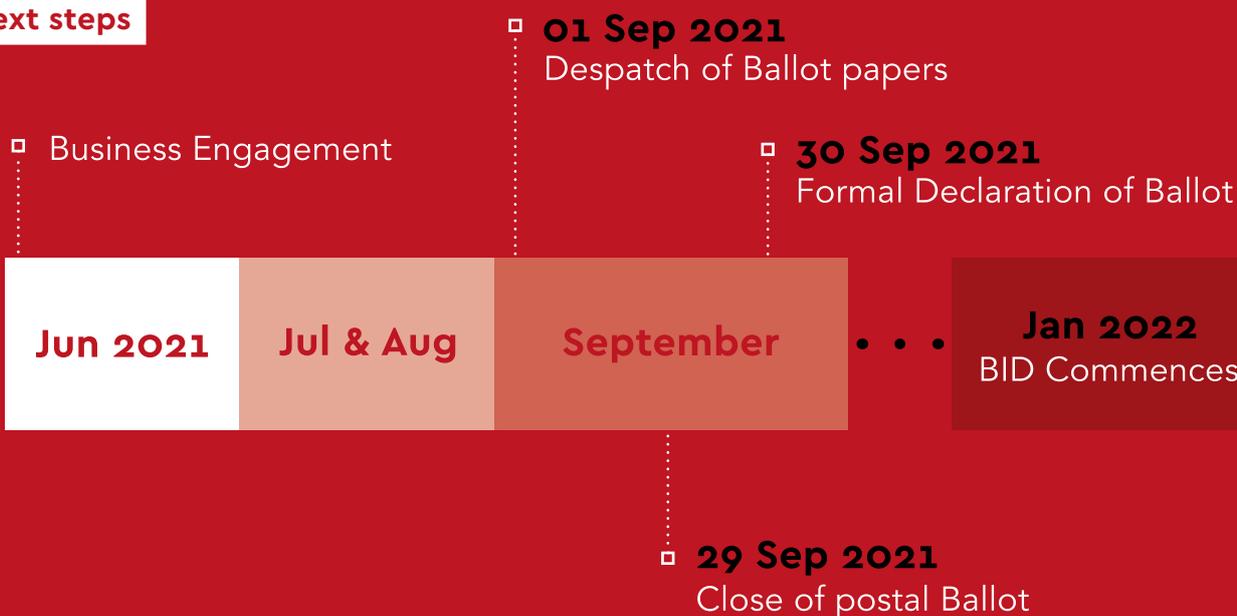
All eligible businesses will pay a levy of £0.50 per square foot of the business premises floor size per annum. For small businesses, with premises of less than 200 square feet in size, there will be a fixed, minimum annual levy of £100. There will be an upper cap, so that no one premises will pay more than £5,000 per annum (much lower than caps placed on BID levies in the UK). Businesses with multiple premises will pay a levy for each site with exemptions and caps applying as above.

The table right gives an example of what the BID levy could be for your business.

| Premises Size (sqft) | Maximum Annual Levy | Maximum Cost Per Day |
|----------------------|---------------------|----------------------|
| <201 | £100.00 | 27p |
| 500 | £250.00 | 68p |
| 1,000 | £500 | £1.37 |
| 2,000 | £1,000 | £2.74 |
| 3,000 | £1,55 | £4.11 |
| 5,000 | £2,500 | £6.85 |
| >9,999 | £5,000 | £13.70 |

While most businesses will pay less than £1/day, the power of working together and additional funding from HMGoG means the BID will invest over £4m in our town centre business environment!

Next steps



Want to get in touch?

We'd love to hear from you!

If you'd like to arrange a meeting to discuss the BID, please get in touch by email on hello@mainstreetbid.com or use the form or contact details on our website:

www.mainstreetbid.com/contact