



BETTING ON BIDS

Asia's first Business
Improvement District

How a run-down business district on the cusp of a World Heritage Site benefitted from Think City's intervention to bring the private sector together for the common good.



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Donald Hyslop speaking at a BIDS workshop in Penang that was jointly organised by Think City and the British Council.

- 01 Prangin Mall with the KOMTAR tower in the background.
- 02 Penang Times Square, a mix of commercial and residential units.
- 03 GAMA – one of the city's oldest department stores.

Kompleks Tun Abdul Razak (KOMTAR) is an iconic building in Malaysia and at one time, Asia's tallest skyscraper. It forms part of the larger KOMTAR project based on the idea of creating a city within a city, a modern urban living space comprising government offices, affordable housing, a shopping arcade and a transport hub.

The ambitious KOMTAR project that began in 1974 has yet to be completed, and the final part of the jigsaw – Phase 5 – is due to be transformed into an urban park. The area is dilapidated and congested, lacks pedestrian links and is run-down and dirty, and commercial lots suffer from low occupancy rates.

Think City felt that an intervention in the area was necessary as KOMTAR is the gateway to George Town's World Heritage Site (WHS), and as a mature commercial area (that includes five malls, commercial property and a hotel), it would stand to gain enormously from regenerative efforts.

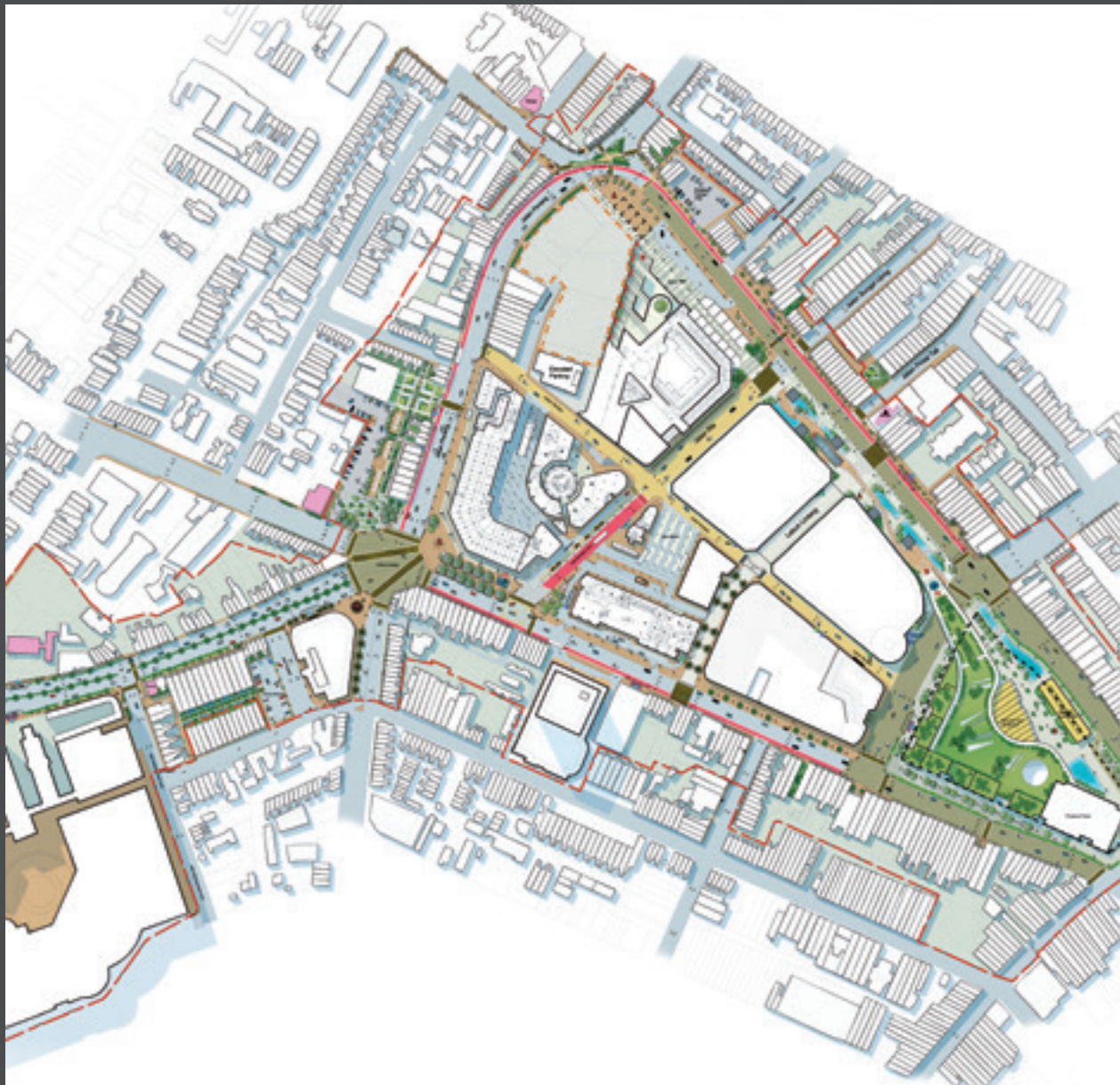
"Through the British Council, we linked up with Donald Hyslop who was Chairman of a successful Business Improvement District Scheme (BIDS) in the UK called Better Bankside. He came to Penang and we examined the KOMTAR area together," said Agnes James, Think City's former Senior Grants Programme Manager.

"After identifying all the major stakeholders in the area we called for a meeting. They knew that the area wasn't working and something needed to be done, but what exactly no one knew. They were very open to ideas though."

Think City sat down with all the major stakeholders to document their individual development strategies which would eventually be transformed into a BIDS Area Plan. According to James, "Initially businesses were very reluctant to share plans and ideas, because essentially they were all competitors. It took a lot of work to get the stakeholders to come to our office with their files and reveal their

GEORGE TOWN BIDS (GT BIDS)

A concept plan for the GT BIDS was drawn up, involving 85.23 acres enclosing Jalan Dato' Keramat, Jalan Penang, Jalan Magazine and Jalan Dr Lim Chwee Leong.



The GT BIDS company includes seven organisations with a rotating secretariat. Several projects were implemented in 2013:

- Decorative lighting;
- Wayfinding system;
- Pavement Improvement Project;
- Place Making Workshop at KOMTAR Phase 5;
- AA-PAM-USM Summer School focusing on connectivity in KOMTAR.



BUSINESS IMPROVEMENT DISTRICTS (BIDS) AT A GLANCE

A BID is a precisely defined geographical area within which businesses have voted to invest collectively in local improvements to enhance their trading environment.

These were first introduced in Canada and the US in the 1970s and there are now over 1,000 BIDS in both nations with less than 1% failing to renew their commitment to the programme.

BIDS were first introduced in the UK in 2004. There are now 88 BIDS in the UK.

The GT BIDS is Asia's first BID.



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plans to the consultant!” Eventually all the stakeholders moved forward as the BIDS was a viable way of creating a sustainable platform for urban regeneration, and most importantly it would help to generate more revenue.

The Area Plan proposed the creation of a formal George Town Business Improvement District Scheme (GT BIDS) company run by a fulltime manager, each stakeholder would contribute an annual fee which would go towards improving connectivity, cleanliness and security within the area. Think City also included from the beginning the participation of the Penang Island Municipal Council (MPPP or Majlis Perbandaran Pulau Pinang) to ensure that physical upgrading work in public spaces could be carried out efficiently.

Convincing businesses to get involved in the GT BIDS was the first step, Think City also set about reaching out to the community who lived in the area, who were crucial to the project's long-term success.

“We sent out roving teams who distributed flyers and brochures to all the residents,” explained James. “We also held an exhibition on-site which acted as an outreach programme and received plenty of positive feedback. Basically, the community agreed that some form of regeneration programme was needed in the area to make it cleaner, safer, less congested, friendlier to activities and more inclusive.”

With the GT BIDS company established and a fulltime manager in charge, James had time to reflect, “Getting the company started was a real challenge when you consider that each member of the initial BIDS committee had their own Board of Directors to report to and convince that this was a good idea. It meant constant negotiating and communication. We had to keep lobbying for the project, our role was to keep moving the BIDS stakeholders in one direction!”

- 01 An on-site exhibition, which acted as an outreach programme, received plenty of positive feedback from members of the public.
- 02 & 03 Dato' Patahiyah binti Ismail, President of MPPP and Dato' Rosli Jaafar, General Manager of Penang Development Corporation (PDC); two of BIDS' strongest supporters.



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If I'm stuck with something I call the Think City team, we'll brainstorm and find a solution. They are very responsive and have a good network, it's more like colleagues working together."

Hopes for the GT BID.

"The short term plans are to implement the five initiatives (see page 44), these are quick wins that were implemented in 2013.

In the mid term we are looking to get a few more stakeholders aligned to make more of a contribution to the neighbourhood. We're looking to introduce new supplemental services in coordination with the city council. There will be more marketing activities and hopefully these will increase property values and sales.

The long term plan is to get as many property owners to participate and to establish a funding/collection system to ensure there are funds available to maintain, develop and promote the area. At the end of the day, the idea is to make the GT BID vibrant and better able to complement nearby retail and business centres."

Janice Yeap,
COO of the Heng Lee Group,
Director of GT BIDS

GT BIDS good for business?

"We have a number of properties in the area, whenever we bring in investors the first thing they ask is 'Are you sure you want to develop here?' I haven't been getting very good feedback from most of the investors.

When we start talking about the possibility of transformation in the area then it adds more confidence to the negotiations. When I mention BIDS they are more receptive, but of course they need to see action first."

Working with Think City.

"Think City definitely had an impact in motivating the stakeholders. Without Think City, I don't think we would have started the project or reached this far. They conducted the first round of stakeholder buy-in which was crucial to get everyone on board. They also provided much needed seed funding and helped members to network with the local authorities.

"We pioneered BIDS in the US, where businesses first came together to improve security and cleanliness, but developed programmes and activities because public spaces that work well increase profit and real estate value.

Sometimes, governments think that once a plaza has been built, it will attract people naturally. This is definitely not true. In fact, continuous and creative programmes are what keep places attractive. BIDS is not only about sharing resources; it's about reversing a negative image. More importantly, by working together, programmes and activities can be sustainable.

I would say that 80% of the success or failure of a place can be attributed to its management. If places are not well maintained, they will develop a negative image that takes an entire district on a downward spiral."

Cynthia Nikitin,
Senior Vice President
Project for Public Spaces



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- 01 Busy intersection in the GT BIDS. Improving access and connectivity for pedestrians is a priority for the new BIDS company.
- 02 GT BIDS new wayfinding system.