



Palmerston North City Council

Submission to Palmerston North City Council (PNCC)
2025/2026 Draft Annual Budget
Hybrid System & Proposed Rates

From

Palmy BID Incorporated (Palmy BID)

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14th April 2025

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Palmy BID Incorporated Committee Members Vern Wilson, Amanda Linsley,
Steve Williams, Bernice Adlam, Mark Inman, Deborah March, Greer Murrie

2025/2026 Draft Annual Budget - Hybrid System & Proposed Rates

1. Palmy BID wishes to thank PNCC for the opportunity to present a submission on this matter as we are committed to ensuring that the Palmerston North City Centre is an attractive destination to invest, develop, trade in and visit to ensure economic growth, prosperity, vibrancy and safety.
2. Palmy BID Incorporated is a 1200 Member Incorporated Society which represents the interests and livelihoods of businesses within the CBD.
3. This submission is presented to Council by the Palmy BID Incorporated Committee after canvassing and seeking feedback from our members.

Hybrid (H) - 33%CV, 67%LV rating system

4. We are opposed to the Hybrid (H) rating system shift as above in this year and up to 50/50 next year, as we believe this rating system and the annual rates increase of 7.7%:
 - I. Creates a disincentive for development, effectively penalising higher capital investments across the entire City Centre, and an example of this would be negative impacts on the Safari Group with the development of the Wyndam Tryp 4.5 Star hotel, along with the T&G Building development of 18 inner-city apartments and current refurbishment of the Copthorne Hotel, previous construction of the FMG building along with future development of The Plaza and the Grand Building
 - II. Will be a barrier to investment, development, re-development and improvements which will result in investors going to other regions that are more economically attractive, and demotivating current City Centre land and building owners to develop and improve their portfolios
 - III. This will not only be a barrier to investment and development, but will also undermine economic growth, reduce prosperity, and hinder efforts to create a vibrant city. It may also decrease safety and security potentially leading to increased crime and making the City Centre a less attractive destination. Punishing capital value improvement will result in further urban decay

Proposed Development Rates Holiday Period

5. Whilst our first preference is that Council reverse it's previous decision to move to a Capital Value rating system and revert to our previous Land Value based system, if Council choose not to, then we propose the implementation of a 5 year Rates Holiday for property owners that commit to capital development and re-development of property in the City Centre, which would :
 - I. Cover the consenting and development process and timelines, and make the City Centre an attractive destination, and an incentive to investors and developers to invest in and develop the City Centre
 - II. Will motivate current City Centre land and building owners to develop and improve their City Centre properties
 - III. Positively impact economic growth, prosperity, the development of vibrancy, increase safety and security that will decrease crime thus making the City Centre a safer an attractive destination

Palmy BID would like to speak to this submission.

Matthew Jeanes

A handwritten signature in black ink, appearing to read 'Matthew Jeanes'.

General Manager
Palmy BID