

## Downtown Brooklyn businesses see more fees in 2010

*Montague Street and DUMBO BIDs up assessments from property owners and merchants*

**By Stephen Witt**

*Wednesday, December 30, 2009 7:12 PM EST*

Merry Christmas! Now pay more.

Merchants and property owners in two Downtown Brooklyn Business Improvement Districts (BIDS) will see hefty increases in their 2010 dues.

That, after the city this week signed off on approved increased assessments for the Montague Street and DUMBO BIDS.

A BID is a formalized way for businesses in a commercial area to fund extra services in their community.

These services normally include extra sanitation, security, marketing, holiday decorations and advocacy.

The way a BID works is every business and property owner in a determined area is assessed and each contributes a certain amount of money per year.

The money goes to the city, which holds it, and then reallocates it to the BID.

The BID, which is made up of the merchants and property owners, decides how to spend the money and create its own priorities.

The DUMBO BID's annual 2009 budget is \$500,000, of which \$400,000 is raised through assessments on property owners, who often pass the cost onto their merchant tenants.

The DUMBO BID's 2010 assessment budget will go up to \$460,000, and will jump to \$500,000 within four years.

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"The DUMBO BID was established roughly four years ago and we have not increased our assessments since establishing it. The current increase will allow us to continue to expand our programming and operations working with the community in DUMBO," said DUMBO BID Executive Director Kate Kerrigan.

Kerrigan noted the increase was voted on by a majority of BID members and that a letter was sent out to every single assessment owner.

In some cases this increase is passed on to shopowners, but what commercial landlords choose to do with their assessments is up to them, she said.

Larry Leonardi, owner of Front Street Pizza, 80 Front Street, said the new assessment will probably mean his rent will go up, but it's worth it.

"Unfortunately, no one wants to pay more taxes, but if it goes for the right things I'm sure it can be good," said Leonardi.

The Montague Street BID assessment will go to \$175,000 from \$124,500, and was met with some resistance from property owners and merchants on the shopping corridor.

"Most of the (BID) money is going to maintain the sanitation of the street. The city is supposed to do that. A BID is supposed to improve business, not clean up garbage," said Thomas Calfa, co-owner of the family run Lassen & Hennigs Fine Food & Catering, 114 Montague Street, which has been on the strip for 60 years.

But Estla Johannasen, owner of James Weir Florist Shop, 155 Montague Street, said she is okay with the increase.

"In order for the BID to continue functioning as it should it (the increase) is necessary," she said.

Montague Street BID President Tim King said while a majority of the money goes to supplemental sanitation, the balance goes to street beautification and marketing of the shopping corridor.