

By ERROL LOUIS

Good bets on 'bad' neighborhoods

Business owners who invest time, treasure and energy in inner-city neighborhoods rank among the city's unsung heroes, seeing profits where others see only blight and taking action while others take flight.

That's why government officials who are serious about tackling unemployment should aggressively look for ways to help entrepreneurs who demonstrate the nerve — and the smarts — to make a go of it in areas that many have written off as mired in poverty and crime.

These entrepreneurs know that even poor communities have a substantial number of people with solid jobs, decent credit and disposable income to spend.

Just ask Gilbert Rivera, the founder and co-owner of Park Avenue, a Brooklyn-based building supply company, and AM&G Waterproofing, a contracting company. After years of doing business in Bedford-Stuyvesant — something that skeptics said couldn't be done — Rivera recently broke ground on a new, \$12 million headquarters in Ocean Hill-Brownsville, a tough neighborhood in the early stages of an economic revival.

"When we first moved to Bedford-Stuyvesant, we were surrounded by vacant lots and abandoned property, and we worked to change that. We hope to do the same thing in Ocean Hill-Brownsville," says Rivera, who employs 250 workers and expects to expand.

Rivera's chances are good, according to Joan Bartolomeo, president of the



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Skeptics won't stop Gilbert Rivera from expanding to Ocean Hill-Brownsville.

Brooklyn Economic Development Corp., a nonprofit agency. Bartolomeo's group recently released a report showing that a slice of Brownsville — bounded by Fulton St. and Rockaway, Buffalo and Sutter Aves. — had 31,000 residents possessing an average household income of \$30,837.

That's not a ton of money, but local families collectively earn \$340 million a year — an interesting, hopeful bit of news in an area where the media often have little to report besides crime and violence.

"We were constantly amazed" during the study, Bartolomeo says. "New market-rate housing kept going up, selling for \$500,000 or \$600,000. The next logical question was, where were all these people shopping?"

It turns out they're shopping outside Ocean Hill-Brownsville, which lacks

amenities like bookstores, bank branches and national retail stores.

Bartolomeo and Rivera predict that will change in the future, and a spokesman for the New York State Banking Department says the agency hopes to entice banks into the area under the department's Bank Development District program, which deposits tens of millions in state money with qualified banks that step up and open branches in troubled areas. That's good news. The right government incentives in the hands of a talented entrepreneur can make a huge impact.

A high-profile example will be on display today when Mayor Bloomberg and a gaggle of politicians cut the ceremonial ribbon to mark the opening of Harlem Chevrolet-Saturn — an auto dealership on 127th St. between Second and Third Aves. Businessman Otis Thornton, who is launching the venture in partnership with General Motors, needed the tax incentives of the Uptown Empowerment Zone to make the deal work.

Thornton's block-long, \$26 million dealership has already hired 100 people, 85% of them from the surrounding neighborhood. And though the area isn't wealthy by any means, a manager says lots of locals are walking in and buying vehicles — 118 in the first month of operation and an expected 200 this month. The Riveras and Thorntons of our city need and deserve all the help we can give them. In places where others only see problems, they are providing solutions.

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