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## Federal Reserve Bank President Says Bronx on the Mend After Recession

Bronx's Unemployment Rate, Household Income Worse than Rest of New York City



Federal Reserve Bank of New York President William Dudley, right, visited the Bronx on Tuesday to meet with local community and business leaders. MARK ABRAMSON FOR THE WALL STREET JOURNAL

By COLLEEN WILSON | Dec. 2, 2014 8:58 p.m. ET

Federal Reserve Bank of New York President [William Dudley](#) is a relative unknown to most Bronx residents. His goal on Tuesday: to put a human face on the U.S. central bank. Mr. Dudley, in his first visit to the borough since October 2011, met with local elected officials, community business owners and students at Lehman College and said there was a “greater sense of optimism” in the Bronx, despite relatively high unemployment and low wages.

At the school, Mr. Dudley called for community banks to make more credit available to small and new businesses.

“There’s always that concern about the ability of accessing credit,” he said. “But what was different this time was the sense of we’ve turned the corner, that the economy is getting better, that we can see how this is sustainable.”

After the recession began in December 2007, the Bronx’s unemployment rate hovered in the double digits for five years. As of September it had dropped to 8.5% but it was still higher than New York City’s overall 6.1% rate.

Wages and incomes have also stagnated. The Bronx’s median household income is \$36,520, the lowest of New York City’s five boroughs, according to the U.S. Census data.

Nancy Biberman, executive director of the Women’s Housing and Economic Development Corp., a Bronx-based community development organization, said the borough’s large immigrant population, a lack of education and barriers to credit have made the Bronx inhospitable to new and small businesses

“What we’re finding is that really in a community where there’s large numbers of immigrants...[they] tend to start small businesses,” she said. “They take the skills that they’ve come to this country with and try to make money.”

That is what Manuela Perez is trying to do. Ms. Perez, a resident of the Bronx for 30 years, is originally from the Dominican Republic. Four years ago she started a catering business called B-Blossom Catering.

“We are concerned about all the health issues in the Bronx. We are concerned about the lack of employment, the lack of training,” Ms. Perez said. But she added: “We feel that we can make a difference. We would prefer to work here and stay here.”

Mr. Dudley said he plans to speak to community banks in the Bronx to “try to lend some encouragement to the banks to take a broader view of the role they can play in their community.” He suggested revisiting the Community Reinvestment Act, a 1977 federal law designed to ensure banks serve low- and middle-income neighborhoods that hasn’t been revised since 2005.

“One takeaway that I’m having on this trip is that I want to take a little bit deeper dive to see how the Community Investment Act is working in terms of, is it doing all that it can do.”