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Amid a Citywide Slump, a Local Exception

By [CHRISTINE HAUGHNEY](#)

Through the building frenzy that transformed some of the city's long-neglected patches into lustrous new neighborhoods, few frontiers struggled to reap the benefits of gentrification more than working-class Bedford-Stuyvesant, Brooklyn.

Prices of homes rose, but never as much as in Fort Greene. Its long-neglected brownstones attracted renovators from Manhattan, but often only after they were priced out of Park Slope. While cafes and boutiques opened, the pace never matched that of Bedford Avenue in Williamsburg.

But as progress in more prosperous neighborhoods has halted, Bedford-Stuyvesant is showing signs of the economic life it has longed for: A handful of new upscale shops have appeared along Lewis Avenue in recent months, including a florist shop owned by a former Wall Street worker, which opened in March, and a trattoria run by a Manhattan restaurateur, in June.

This month, Bed-Stuy welcomed Therapy Wine Bar, which its owner, Angela Terry, says is the first in the neighborhood.

"This is my life savings," Ms. Terry said as she sat in the back garden of the bar, which opened on Sept. 19. A school social worker who bought a brownstone in the area a decade ago, Ms. Terry borrowed from her pension to finance the bar. In addition to the younger wine drinkers who have moved in, she hopes to attract local mothers after story time at nearby Brownstone Books and teachers in local schools. "This is the hard part," she said of the opening. "This is the test."

The catalysts for the sudden influx are complex and overlapping. Store rents are still cheaper than in other Brooklyn neighborhoods, which is especially important now that bank financing is harder to come by. There is also a hunger for new shops and restaurants, especially from many of the new residents.

Ms. Terry decided to start a business after she found out that the local school where she worked was closing; in the summer of 2008, she rented a storefront on Lewis Avenue and started renovating.

She can relate to her neighbors with less job security — and with less to splurge on luxuries like pinot noir: In the worsening economy, she has also taken a job at another nearby school.

Meanwhile, Bedford-Stuyvesant has been hit hard by the recession, frequently ranking among the city's top 15 neighborhoods in the number of preforeclosures, according to PropertyShark.com. In July and August, the values of home sales dropped by 14 percent, and the volume of deals dropped by 48 percent compared to the same period last year, according to the HMS Associates, a real estate appraisal and consulting company in Brooklyn.

By contrast, Park Slope's sales prices dropped by 8 percent in the same period, and its sales volume decline by 19 percent.

Still, Mitchell L. Moss, a professor of urban policy and planning at New York University, points out that because Bedford-Stuyvesant's residents are generally not dependant on Wall Street salaries and bonuses, they have not had to readjust their spending habits as much as residents of the Upper East Side or Brooklyn Heights. The fact that many residents work in "health care, education and other government-related sectors," he said, "creates stability."

Residents also have been starving for new businesses. Michael Amirkhanian, a broker with Massey-Knakal Realty Services, cites a 2008 study by the market research firm LISC MetroEdge showing that Bedford-Stuyvesant residents have been spending more than \$30 million in bars and restaurants elsewhere.

"You have real consumer buying power," he said, adding that these dollars "are going to Downtown Brooklyn and the city."

Enter the new entrepreneurs. After Estelle Harris was laid off from her job at Credit Suisse in Manhattan, she decided to open a flower shop, Creative Blossoms, on her savings, and chose Bedford-Stuyvesant because rents were half as much as in her neighborhood, Fort Greene, and nearby Clinton Hill.

She stays optimistic, though the adjustment from Wall Street to Bedford-Stuyvesant has not been easy. Local churches and funeral homes have largely shunned her displays, having long bought from two nearby florists on Nostrand Avenue. And while wedding business started out strong, she has found that brides are cutting back on expensive flowers like peonies.

On the positive side, a \$99 package she offers for cleaning up the yards of brownstones has been well received by recent arrivals. Local school workers have flooded her shop on secretaries' day and for graduations. A handful of new residents come in weekly to pick up fresh flowers. And at least one former co-worker from Wall Street has talked about opening a designer sneaker store nearby.

So though business has been less steady in recent months, she views her life as a Brooklyn entrepreneur as permanent.

“Corporate America did a disservice to us,” Ms. Harris said. “So people are trying to invest in themselves.”

For Massimiliano Nanni, who opened the trattoria Saraghina with a partner in June, Bedford-Stuyvesant has given him an affordable home and proximity to his family. In 2006, he bought a brownstone there for \$633,000 after living and working in Chelsea, Williamsburg and the East Village for 15 years. He was able to negotiate a cheap rent for space close enough to home that he can have dinner with his family before heading to the kitchen. His daughter, Amelia, 5, and his son, Hercules, 2, can also stop by, just as he used to visit his mother at the two food stands she owns in Rimini, Italy — though his business is slower.

“We can’t say we are super busy,” he said. “We are happy. We are working.”

In some ways, the openings are bringing the neighborhood full circle. Ardenia Brown, whose parents have lived in the neighborhood for 60 years, vividly remembers when DeKalb Avenue was lined with meat and candy stores. After working in the music industry for 25 years, Ms. Brown returned home to care for her parents and start a gourmet market. The opening has been delayed — with an investor pulling out and a space lost because of city licensing requirements — but after three years of work, she hopes to open the Butternut Market and a neighboring restaurant and bar called Dagio by Thanksgiving.

“It’s something that the community has been starving for,” she said. “This is the time.”