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Empower Both Sides of the Harlem River

Last summer, U.S. Rep. Charles Rangel won a special provision in the Omnibus Budget Reconciliation Act of 1993 that would target help to six economically distressed urban areas and three rural areas to be known as "empowerment zones."

This legislation - the Clinton administration's premier program for urban America - was designed to harness tax credits, federal money, local government resources, private investment and community participation to stimulate economic growth in the poorest sections of America. Unlike federal health care or welfare reform, the empowerment zones are real. In less than four months, local governments and state-chartered economic development corporations must submit strategic plans for empowerment zones to the federal government. The zones are expected to be designated by the end of the year.

Under the federal guidelines, an empowerment zone in a city such as ours cannot comprise more than 200,000 residents. The empowerment zones can be no larger than 20 square miles, but they can include up to three non-contiguous areas. Finally, all census tracts in an empowerment 70110 must have a poverty rate of at least 20 percent. The issue facing the mayor is whether New York City's empowerment zone should be in Harlem, the South Bronx or parts of both boroughs.

While many poor communities in Brooklyn could conceivably qualify, they are economically and geographically disconnected from the two main areas under consideration, the South Bronx and Harlem.

Designation as an empowerment zone is highly desirable, since each zone will receive \$50 million a year for two years in U.S. funds, money that can be spent on a broad range of social services and economic development activities. Rangel favors Harlem - which is within his district - as the city's empowerment zone, and so did former Mayor David Dinkins. Mayor Giuliani has overturned the former mayor's choice, but he has yet to reveal his own preference.

The easy path for Giuliani would be to support the Harlem Urban Development Corporation's effort to make Harlem the city's empowerment zone. Giuliani would not alienate the city's most powerful congressman and he might also win allies in the black community. However, after two decades of work by HUDC, the rationale for large-scale economic development in Harlem is still elusive. Sitting in a community with world-class cultural talent and an appetite for entertainment, HUDC can't even make a profit on the landmark Apollo Theater.

While Harlem is certainly equipped to absorb empowerment funds for social services, the area

lacks the transportation and industrial infrastructure essential for attracting new businesses. Simply put, Harlem - a vibrant residential commercial and cultural community - is not well positioned to be a successful empowerment zone, if success is defined as attracting private investment and creating new jobs.

For New York City, the shortcomings of Harlem can be made up by including the South Bronx, with its superior rail and highway access and abundance of industrial land, in the empowerment zone. The Bronx has also developed a compelling public investment agenda that would reinforce the city's application for empowerment zone designation. Finally, a joint Harlem-South Bronx zone would foster links between the city's African-American and Latino populations.

For the Clinton administration, the New York City empowerment zone provides a chance to demonstrate that Democrats understand that jobs are just as important to urban America as more cops. By incorporating Harlem and the South Bronx in one empowerment zone, the city will be helping itself and, coincidentally, the likely Democratic candidate for president in 1996.

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