



2009 Annual Report and 2010 Annual Plan



Community Works Rhode Island creates opportunities within the neighborhoods it serves for people to live in affordable and healthy homes, to improve their lives and to strengthen their communities. The goal is to transform underserved neighborhoods to be more sustainable.



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INTRODUCTION

CWRI is a community economic development corporation which formed in July 2008 through the merger of the Elmwood Foundation and Greater Elmwood Neighborhood Services (GENS). These organizations each had 30 year histories in the South Side of Providence, RI during which they created a total of 1000 housing units and invested over \$60 million in the local community.



39 Parkis



52 Parkis

CWRI provides a comprehensive approach to neighborhood stabilization through leadership in neighborhood planning, needs assessment, market analysis and urban design; investment in mixed-income housing, commercial and community space; improvements to infrastructure, greenspace and streetscape; sustainable management of its asset portfolio; community building and organizing; and homeownership training, foreclosure counseling and financial literacy courses. This approach creates strong, stable and sustainable neighborhoods and serves as a catalyst for private development. CWRI is a Charter Affiliate of NeighborWorks America.

CWRI designs and builds affordable housing and commercial development that is highest quality as a long-term public investment. Significant investment is directed to the infrastructure of the neighborhood and its streetscapes, playgrounds and open space. Asset management services ensure strong and sustainable neighborhoods. These efforts stabilize neighborhoods and main streets, inject life and vitality into the area and serve as a catalyst for private development.

CWRI educates its residents to be homeowners, engages them in community building and empowers them to be leaders. CWRI targets the community's financial health through bi-lingual homebuyer education classes, personal financial literacy and post-purchase counseling for first-time homeowners. Approximately 300 families a year are assisted toward financial stability and homeownership. Community building initiatives engage residents in youth programs, block parties, crime watches, clean ups, tree plantings and cultural events.

CWRI does more than build housing – it rebuilds mixed use neighborhoods, main streets and infrastructure in places where the market has failed, and supports the local community.



14 Parkis under renovation



53 Parkis under renovation

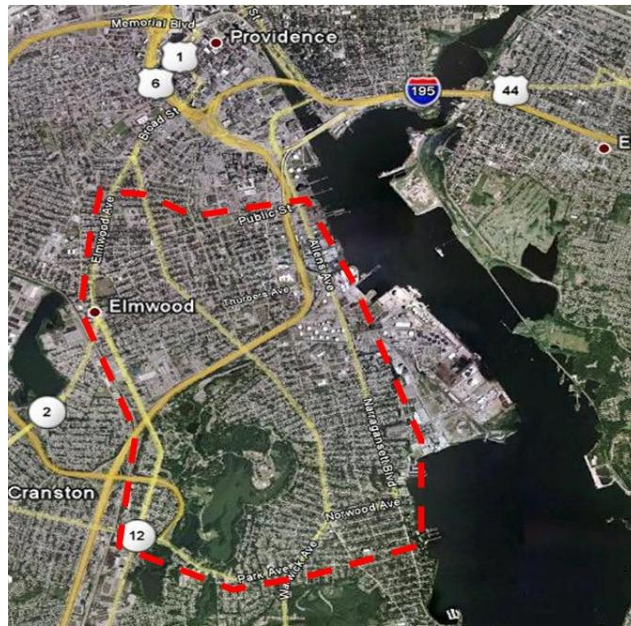
MARKET CONDITIONS

CWRI works in an area of Elmwood and South Providence defined by a diversity of people and cultures, vibrant ethnic commerce and restaurants, vital community gardens, and stunning (though often distressed) Victorian era residential properties. These amenities are challenged by the economic crisis, lack of jobs and low employment, declining property values, investor speculation, rising vacancy rates, displacement of renters, landlord neglect or high cost of property maintenance, rising crime rates, poverty, language barriers, disenfranchised youth, lack of open space, poor pedestrian amenities, urban stressors and distressed infrastructure.

The South Side neighborhoods are caught in a cycle of regeneration and disinvestment. The Elmwood neighborhood stabilized over the last fifteen years. However, the recent economy has threatened the neighborhood as high numbers of vacant and abandoned housing is again causing blight, depressing property values and encouraging further disinvestment.

According to Census data, the median household income is \$22,885 in Elmwood with 28% of the population below the poverty line. The median household income in Lower South Providence is \$16,857 with 40% below the poverty line. The unemployment rate in Providence averages 13.4 percent, and is likely higher in the urban core neighborhoods.

The Providence Plan estimates foreclosure rates as high as 20% in hot spot areas of Elmwood. Foreclosures notifications in Elmwood and Lower South Providence totaled 38 in 2004-2005, and jumped to 264 in 2006-2007. The HMSA, Urban Institute and Census indicate a rate of subprime loans of 40-50% or greater in Elmwood and Lower South Providence. Warren Information Services reports a 20% decline in median residential sales price between 2003-2008.



Area of Focus

Housing Works RI announced results of the 2008 American Community Survey which stated that 42.5 percent of homeowners in Rhode Island spent over 30% of their income on housing related costs in 2008. Rhode Island ranks sixth in the nation for having the least affordable homes. In 2008, 49 percent of renters spent more than 30 percent of their income on housing related costs. Rhode Island is the 15th least affordable state to rent in.

RI Kids Count data shows that in 2005, 80-89% of infants born in Lower South Providence and Elmwood were born to mothers on Medicaid. The Providence Plan notes that 24-34% of children under the age of six in these neighborhoods have high lead exposure. The Providence Plan notes that 60-70% of public school children have a primary language other than English.

MERGER

CWRI merged from two 30 year old organizations in July 2008, prior to the collapse of the economy. An editorial in the Providence Journal (01/27/09) noted *“Their recent merger...the first of its kind in Rhode Island, should tighten the focus of neighborhood improvement at a time of ever more pressing need...we hope Community Works RI is a sign of things to come.”*

The intention was to increase efficiencies, reduce redundancies, grow production, create new development models, and expand geographically. The goal is to take on large scale, long term projects that have the greatest impact on neighborhoods, and sustain the organization long term. The merger timing created efficiencies that have allowed CWRI to be an advocate for neighborhood stabilization during the current crisis. CWRI is able to put its energy in to growing during an economic downturn, and creating innovative solutions to neighborhood stabilization as the foreclosure crisis unfolds.

CWRI is a newly formed organization that is based in 30 years of innovative development. CWRI has a knowledgeable, educated and creative staff and Board, with great expertise and demonstrated success in the complex field of community economic development.

CWRI has a new office and streetfront presence. It is in excellent position to serve the foreclosure crisis because it is connected to the properties, politics, players, policies, permitting processes, and production that can stabilize neighborhoods.

CWRI has a history of excellent partnerships with major lenders and investors. CWRI is a charter affiliate of NeighborWorks America, and also works with numerous locally based entities such as Local Initiatives Support Corporation (LISC), Citizens Housing and Planning Association (CHAPA), the State of Rhode Island, Rhode Island Housing, the City of Providence, United Way, the Rhode Island Foundation, and local residents and stakeholders.

The merger created significant positive changes in capacity that will help the goals to be met in the future. The year was very focused internally on finalizing all aspects of a very complex merger, hiring and transitioning key staff, putting new operational systems in place, creating efficient financial information, participating in various reviews and audits, etc. This was in addition to continuing with its real estate development and community building programs in a rapidly changing economic climate. This internal focus was considered a critical first step to ensure the health and stability of the organization.

MAJOR CHANGES

CWRI successfully met many challenges and opportunities in its first year:

- Finalized the physical, financial, and operational aspects of the merger;
- Consolidated into new offices space, and closed up old office space;
- Negotiated the economic downturn as the merger was completed;
- Built an effective team who merged programs and projects and created new initiatives;
- Negotiated staff transitions and the hiring of key positions;
- Established new operations and implemented new systems;
- Coordinated with a new Board to develop the organization;
- Engaged in a strategic planning process and created a Strategic Plan;
- Created a comprehensive Personnel and Procedure manual;
- Successfully passed a three year review by NeighborWorks America;
- Created and tracked new budgets for the organization and lines of business;
- Survived the first financial audit post merger;
- Hired a new property management company for the 210 units owned by CWRI;
- Faced new priorities and competition for funding sources;
- Resolved challenges to project financing when federal investor dropped out;
- Applied for project and program funding to support one new larger organization;
- Networked and promoted the new organization publically;
- Created a new website in both Spanish and English www.communityworksri.org
- Completed the closing on the 47 unit Broad Street Revitalization tax exchange project;
- Began construction on 47 housing units and mixed use at Broad Street and Parkis Avenue.

Board

The Board of Directors elected in November 2009 are as follows:

President - Michelle M. Wilcox
Vice-President - Evan Matthews
Secretary – Chiv Heng
Treasurer - Stephanie Ogidan Preston
Michael Aaronson
Ina Anderson
Vanessa Bekkouche
Kas R. DeCarvalho, Esq
Doris M. De Los Santos
Ralph Johnson
Maryclaire Knight (outgoing President)
Barhram Pahlavi
Lt. George Stamatakos
Kate Trimble
Sally Turner

Thank you to outgoing Board members Anne Grant, Ardena Lee-Fleming, and Karen Hughes for their dedication to the organization through the merger.

Staff

CWRI hired four key staff members between July 1, 2008 and October 15, 2009:

Executive Director	Carrie Marsh
Director of Real Estate	Teri Bernert
Senior Project Manager	Malik Aziz
Director of Finance/Operations	Alice Greenan

Other staff include:

Project Coordinator	Debora Rotondo
Community Building Manager	Rachel Newman Greene
Community Educator	Silvia Acevedo
Community Organizer	Jerome Thompson
Office Assistant	Omayra E. Rivera

Summary bios of the new staff at CWRI are below.

Executive Director - Carrie Marsh, AICP

Carrie M. Marsh is the Executive Director of CWRI. She has nearly twenty years of expertise in innovative real estate development, urban design, land use planning, organizational development and civic leadership. Ms. Marsh utilizes a degree in Psychology from Bates College; a Masters in Urban and Regional Planning from Portland State University in Oregon (focus on the built environment); and certification by the American Institute of Certified Planners (AICP).

Innovative Development Ms. Marsh is currently the Executive Director of Community Works Rhode Island, a statewide community economic development corporation in Providence, RI. She previously worked for Cornish Associates on innovative development initiatives in Providence, RI and as the Project Planner for the Mashpee Commons project on Cape Cod.

Ms. Marsh is a founding Board Member of The Steel Yard, a former industrial site which now serves as a mixed-use arts facility. She served as an advisor on the reuse of Monohasset Mill for mixed income artist live/work studios. She advocated for the conversion of the Eagle Square Mills to a mix of uses with artist spaces, rather than demolition.

Ms. Marsh was President of the West Broadway Neighborhood Association, a local organization focused on community regeneration, adaptive reuse and infrastructure improvement. She served on the Board of the Providence Preservation Society Revolving Fund, an organization which provides innovative funding and technical expertise for historic revitalization projects.

Urban Design and Planning Ms. Marsh served as the Urban Designer for the City of Portland, Maine where her work included neighborhood based planning and design, the review of architectural designs, the creation of innovative design standards, oversight of the City's public art program, and advocacy for various initiatives related to Portland's creative economy.

Environment and Culture Ms. Marsh has also worked as an environmental planner for The Conservation Fund of Arlington, Virginia on greenway and sustainable development projects throughout New England. While in graduate school, she worked as an assistant to the Arts Plan 2000 initiative in Portland, Oregon which was the nation's first regional arts and cultural plan. Ms. Marsh served on the Board of Architalx, which is an architecture lecture series in Portland. She was President of the Board of the Portland Arts and Cultural Alliance.

Recognition Ms. Marsh received a Citizen Citation from the City of Providence in 2009 in recognition of her civic devotion and dedication to the well being of the City's neighborhoods and advancement of its residents over the past 15 years. She received a citation from the RI General Assembly in 2000 in recognition of her leadership and service to the West Broadway Neighborhood. She is an inductee in the Providence Preservation Society's Hall of Fame for her involvement in the "Eagle Square Coalition" which worked to save a mill complex from demolition for a strip mall, and advocated for the artists and small businesses. This was a catalyst that led to legislation, policy reform, and sustainable investment in mills of Providence.

Director of Real Estate - Teri Bernert

Teri Bernert is the Director of Real Estate Planning and Development for Community Works Rhode Island. She has over twenty years of experience in the community development field. Ms. Bernert served as Executive Director of the Neighborhood Corporation in Taunton, MA from 1999 to 2009. Ms. Bernert guided the growth of this organization from a community advocacy group to a full non-profit community development corporation. She holds a BS in Environmental Design from UMass/Amherst and a Masters Degree in Urban and Regional Planning from the George Washington University. She is on the Board of Directors of the Massachusetts Association of Community Development Corporations.

Ms. Bernert has managed housing development projects that created 71 units for the Taunton area with project costs of \$18 million. She is knowledgeable in all areas of housing development including predevelopment, financing, team management, and construction management. She has extensive experience in brownfield development for housing reuse. Ms. Bernert has facilitated both homeownership and tax credit financing deals, including low-income and historic programs. She has led many other community development initiatives for Taunton including strategic planning, rezoning and infrastructure improvement plans, park development, and the creation of the Taunton Small Business Program.

Senior Project Manager - Malik Aziz

Malik Aziz is the Senior Project Manager for Community Works Rhode Island. He leads a variety of development projects including the renovation of 22 units of affordable historic housing at Parkis Avenue and 25 units of affordable housing and commercial space development on Broad Street. He also oversees the redevelopment of 19 Stanwood as a model green home.

Mr. Aziz previously served in project management positions with CASCAP, Urban Edge and Allston Brighton CDC in Massachusetts. Mr. Aziz has undergraduate degrees in Art and Civil Technology from the University of New Hampshire as well as a graduate certificate in Real Estate Development from Tufts University. He was chosen by the Massachusetts Association of CDCs to participate in their two year Fellowship Demonstration Program, from which he has continued an eight year track record of housing development. He recently received two Historic Preservation Awards in 2005 and 2008 for projects completed in Cambridge, MA.



Art created by Parkis Avenue homeowner Josie Moray

CURRENT PROJECTS

Below is a summary of current real estate and community development activities.

Real Estate Planning

Neighborhood Stabilization/Revitalization Program

CWRI is in the process of establishing a work plan, identifying investment opportunities, and creating partnerships for a stabilization and revitalization program in Elmwood and Lower South Providence. CWRI will engage residents in citizen involved planning and design processes, receivership initiative, crime watch and engagement, community based infrastructure improvements and quality of life issues, financial counseling, housing development. The effort will be implemented through CWRI's four lines of business: Real Estate Redevelopment; Homeowner Education; Community Building and Organizing; and Asset Management.

- *Housing* Expand investment in housing and other real estate throughout Elmwood and Lower South Providence through a focus on vacant, abandoned and underutilized properties. Use funds and tools through NSP, National Community Stabilization Trust, receivership, etc.
- *Economic Development* Stimulate economic activity both locally and regionally by creating affordable and well managed commercial spaces at key sites along Broad Street.
- *Quality of Life* Foster livable, safe and healthy communities by engaging stakeholders in creating attractive and accessible streets and open spaces. Engage with LISC Community Safety Initiative and Providence Police on crime reduction. Provide youth programs.
- *Income* Increase family wealth through homeownership training, foreclosure counseling and financial fitness training to residents. Create homeownership opportunities.
- *Services* Improve access to education, training and family services.



Typical foreclosure at 117 Daboll Street

The partnerships and resources identified for planning and securing NSP properties in Elmwood and Lower South Providence include partnerships with NeighborWorks America, LISCs Sustainable Communities program, Meeting Street Center, LISC Community Safety Initiative, Providence Police, City of Providence, RI Housing, Providence Plan and other key partners.

North Broad Street The goal of this project will be a comprehensive plan for infill and redevelopment along the portion of the street that serves the high schools, and connects to Downtown, and the neighborhoods of South Providence, Elmwood and West Elmwood. CWRI recently applied for funding from RI Housing and the Urban Land Institute to facilitate this planning and development analysis of North Broad Street. Components of this project include:

- Engagement of surrounding for- and non-profit developers, agencies and institutions as partners in long-term planning and development of the street.
- Engagement of students, merchants and stakeholders in community analysis and visioning.
- Data gathering, including zoning, transit routes, traffic patterns and economic conditions
- Analyses of existing conditions, corridor strengths and weaknesses, threats and opportunities.
- Mapping of strengths and weaknesses, threats and opportunities along the street.
- Creation of 10-year vision statement and plan for future development of the street.

CWRI will engage a variety of community partners in the visioning and planning process for North Broad Street including LISC, ULI, RI Housing, other community development corporations, social service agencies, churches, educational institutions, state and local governments, arts institutions, large employers, students, local merchants and other key stakeholders. CWRI will integrate the planning processes into the curricula of the three schools and one youth-oriented arts institution located along North Broad Street.



Vicinity of 206 Broad Street

Real Estate Development

Parkis Historic Properties There are 22 rental units currently under renovation in three historic houses on Parkis Avenue. This project nearly completes the transformation of a street of Victorian-era urban mansions into 100 mixed income rental and ownership units.



Properties currently under renovation at 14 Parkis, 43 Parkis and 53 Parkis

7 and 22 Parkis CWRI originally purchased 18 properties on Parkis Avenue. The properties at 7 and 22 Parkis Avenue are the only remaining properties that are unimproved. They are highly inefficient which creates a burden on the organization's operating budget. CWRI is in the process of upgrading the buildings and the energy systems, in an effort to raise the overall performance. The building at 22 Parkis will be rental. The two family home at 7 Parkis will be sold to an income-restricted homeowner.

Foreclosures CWRI will be acquitting and redeveloping numerous foreclosed properties utilizing a variety of funding sources. The goal is to stabilize the neighborhood, and alleviate "hotspots" of crime and foreclosure. Properties under control include 117 Daboll, 102 Mitchell Street, 31 Mawney and others.

Broad Street Revitalization CWRI closed on the financing of this \$12.5 million tax credit exchange program on October 15, 2009. This project includes new construction of 25 rental units and commercial and community space at 640 Broad Street and 770 Broad Street.



640 Broad Street



770 Broad Street

19 Stanwood CWRI is currently renovating 19 Stanwood Street to set the green standard for all of its future redevelopments, and also be promoted as a national model. This project renovates a vernacular, foreclosed, multi-family home in South Providence into a replicable, cost effective model of energy efficient affordable housing. The educational component of the project is a collaboration between the Rhode Island Foundation, the US Green Building Council Rhode Island Chapter, Distill Studio, STACK Construction, Cutler and Company, and Bill Via.

The goals are as follows:

1. Develop a repeatable model for cost-effective green rehabilitation of affordable housing with a budget typical for affordable, using standard affordable housing resources.
2. Use integrated green design. Stakeholders were assembled early and green goals were set as a group. Issues were addressed jointly.
3. Create neighborhood based jobs and develop a green workforce.
4. Promote the project. Rhode Island Foundation provided a grant to document and ensure replicability.
5. Empower tenants and the community in smart energy use with the project as an example.



Abode 21 at 19 Stanwood Street

Real Estate Pre-development

Broad/Epiphany CWRI submitted a Low Income Housing Tax Credit application to RI Housing for 44 units of low income housing. The project will be on two sites at 804 Broad and the former Church of the Epiphany site on Potters Avenue in the Elmwood neighborhood.

St. Joseph Hospital CWRI is considering its role in the acquisition and/or reuse of St. Joseph Hospital, located at Broad and Peace Streets. This 210,000 sf building sits on 6.5 acres of land in the heart of the Elmwood neighborhood. The potential for adaptive reuse and infill development on the site will have a significant impact on the future of the neighborhood.

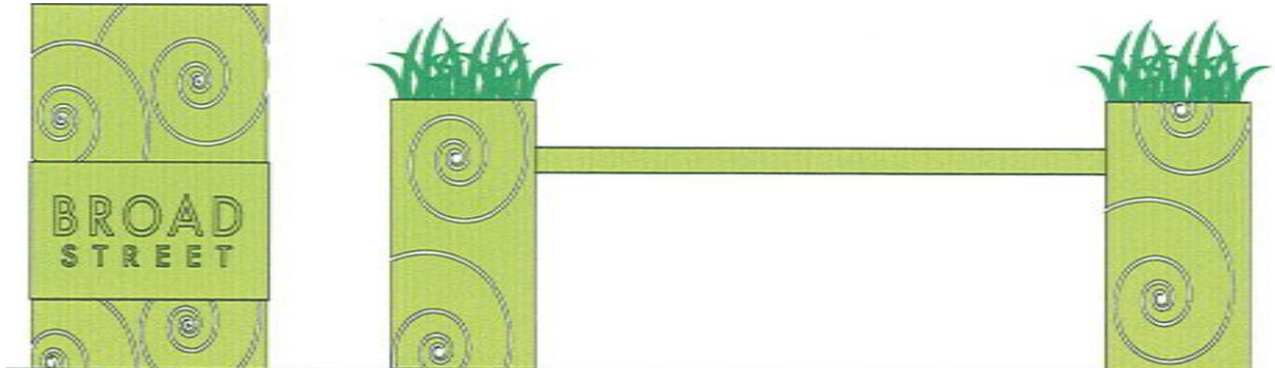
Weybosset Mill The project is located at Oak and Troy Streets in Olneyville. CWRI is the State's top choice for \$1 million from EDA for the development of a business incubator for entrepreneurial, green and creative industries in one of the City's oldest mill buildings.

Asset Management

CWRI has 210 rental units, with 47 more in development with the Broad Street Revitalization project, and about 15 other units. These properties are managed by First Realty Management.

Community Development

Infrastructure Improvements CWRI improves the physical infrastructure such as the acquisition and installation of the Peace and Plenty Playground; improvements to the Grace Church and Locust Grove Cemeteries, streetscape improvements on Broad Street, and community gardens.



Prototypes of street furniture for CWRI properties – designed by The Steel Yard

Streetscape CWRI has created a banner campaign to advertise and beautify the Broad Street commercial district. The design phase of the banner campaign has been completed, and the banners will be printed and installed in 2009. CWRI has engaged The Steel Yard to create unique artist-designed street furniture at four sites along Broad Street.



Broad Street Banners designed by Leticia Tejada

Economic Development Staff will continue to increase its focus on the facilitation of the Broad Street Merchants Association. CWRI has been working with local merchants, the Center for Women and Enterprise, and other partners interested in the vitality of the Broad Street business district on strategies to help local businesses to stabilize and expand.

Community Safety CWRI is partnering with a core group of residents, the neighborhood police, LISC and the Providence Plan to empower neighbors who are informed, trusting, and problem-solving and who work positively with the police to create a strong and safe community.

MetLife Foundation presented CWRI and its partners LISC and the Providence Police Department with a \$25,000 award for efforts to reduce crime on Parkis Avenue.

Tenant, Resident and Street Associations Staff provides support to resident associations in the South Side neighborhood, particularly in areas where CWRI has made a real estate investment. Typical projects include crime watches, clean ups, tree plantings, playground improvements, community building events, etc.



NeighborWorks Day at Parkis Avenue

Homeownership and Foreclosure Counseling The program currently includes homeownership classes in both English and Spanish; and increased foreclosure counseling.

Financial Fitness This line of business will be a significant focus of the organization's activities in the next three years. Staff teaches an after school financial literacy course to youth.

Healthy Elmwood Team CWRI's youth enrichment program includes recreational, educational, and community-building programs. The Healthy Elmwood Team engages teenagers in programs that build self esteem, social skills, civic leadership, and financial fitness.



Healthy Elmwood Team participants

Youth Garden Club The Youth Garden Club program employs a dozen young housing tenants in developing and maintaining two community gardens. The gardeners developed a garden-to-market business, selling herbs and produce to local restaurants. Chefs from Local 121 restaurant prepared a gourmet meal with vegetables that had been grown by the children, and served it to them at a lovely sit down dinner in the garden.



Local 121 chef Dave Johnson serves dinner at the Laura Street Youth Garden

OPERATING PLAN

The mission of the organization is as follows:

Community Works Rhode Island creates opportunities within the neighborhoods it serves for people to live in affordable and healthy homes, to improve their lives and to strengthen their communities. The goal is to transform underserved neighborhoods to be more sustainable.

The goals and objectives of the organization are presented below:

Infrastructure Development

Goal Attractive and well-maintained streets, open spaces and public infrastructure create a framework around which a healthy urban community grows and thrives.

Objective Create well designed main streets that support active, vibrant, safe and accessible neighborhood centers. Improve local streetscapes to encourage investment, decrease crime and welcome a variety of users.

Objective Advocate and create attractive, accessible and well-maintained open spaces that provide opportunities for gathering, socializing and recreation.

Real Estate Development

Goal Development that is well planned, includes a sustainable mix of uses, serves a variety of incomes, stabilizes neighborhoods, meets community needs, provides economic development opportunities, is of high-quality design, energy efficient, safe and well-managed.

Objective Create plans and engage in public processes that guide sustainable development of neighborhoods, main streets, and key sites.

Objective Provide residential properties that serve a variety of income levels, meet community needs, and are of high-quality design, healthy, energy efficient, and well-managed.

Objective Develop commercial properties that are affordable, meet community needs, provide economic development opportunities, and are of high-quality design, energy efficient, safe and well-managed.

Objective Create replicable models of green development through real estate development activities.

Objective Continue to monitor and manage assets for maximum return on investment and return on mission. Maximize financial performance, best physical performance, and resident satisfaction.

Economic Development

- Goal* *Vital main streets that include commercial spaces that are well-managed, affordable and support local businesses that serve the community and contribute to the economy. Business owners and residents in CWRI properties and service areas have access to financial training, counseling and resources needed to increase assets.*
- Objective Create vital main streets that include commercial spaces that are well-managed, affordable and support local businesses that serve the community and contribute to the economy.
- Objective Business owners and residents in CWRI properties and service areas have access to financial training, counseling and resources needed to increase assets.

Community Development

- Goal* *A community of residents who have a strong sense of ownership, stewardship and pride; active engagement in civic life and quality of life improvements; and environmental understanding and responsibility.*
- Objective Facilitate residents and neighbors in developing community ownership, stewardship and pride through addressing common community improvement needs.
- Objective Create opportunities for youth who live in CWRI properties to engage in civic life and leadership.
- Objective Engage residents in activities to improve crime, safety and quality of life in neighborhoods served by CWRI.
- Objective Educate and engage residents in CWRI properties in environmental issues and conservation.

Organizational Development

- Goal* *An organization that is innovative and well grounded in its operations, staffing, accounting, fundraising, marketing and governance.*
- Objective Under development