



Extreme Makeovers Are
Nothing New To Us.



Our Mission

Charlotte-Mecklenburg Housing Partnership, Inc. is a broad-based, private, non-profit housing development and finance corporation organized to expand affordable and well-maintained housing within stable neighborhoods for low and moderate income families in Charlotte and Mecklenburg County with a continuing interest in the ability of occupants to more fully enter the economic mainstream.

Our Vision

Everyone in Mecklenburg County lives in a decent, affordable home.



One of the trendiest themes in today's culture is the makeover; whether it's a hairstyle, a wardrobe or an outdated kitchen. Pick up a magazine or channel surf the television and you're sure to find a segment about one. At the Housing Partnership we've been producing our own version of the extreme makeover since 1989. It's called neighborhood revitalization. And it's the true measure of our success.

A reality program like no other.

As we began to pursue our core goal of expanding affordable housing opportunities in the Charlotte area, it quickly became apparent that we needed to do more than just fix up houses and build new apartments. We needed a broader brush stroke, a from-the-ground-up approach to transforming the entire physical and emotional terrain of troubled neighborhoods. We also needed partners to get involved with the program, including: financial institutions, city leaders and community activists. Almost twenty years later, the reality is in The Park at Oaklawn, Greenville, Genesis Park, Druid Hills, Seversville, Lakewood and throughout the city. This annual report is a behind-the-scenes look at what it took to get to this point, and where we go from here.





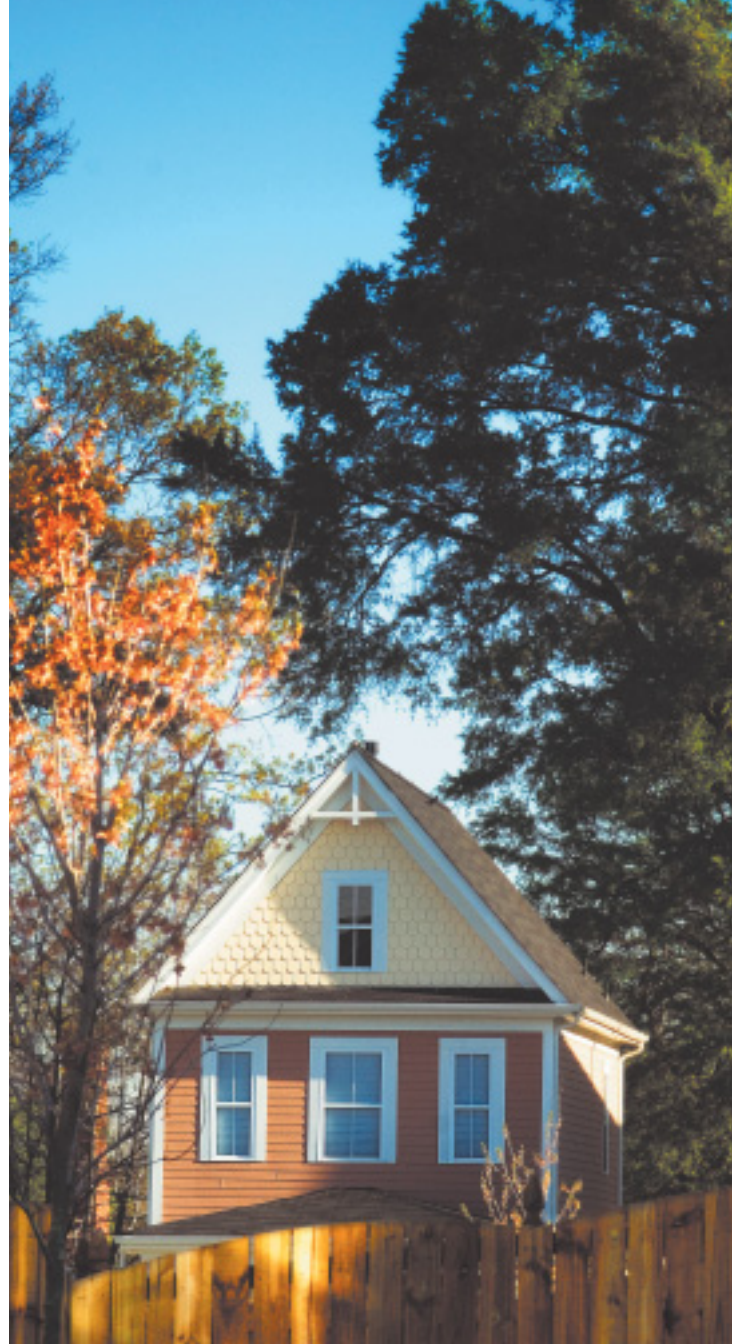
There's not just one template for revitalizing neighborhoods because they all require different things. Genesis Park, for instance, had a dangerous problem with drug deals taking place in a cluster of dilapidated duplexes while Druid Hills lacked a safe playground for the children. Figuring out what needs to be done involves getting input from residents, whose desire for positive change is pivotal to the process, as well as from public agencies, police, city leaders and planners, even the Department of Transportation.

First we dream it, then we do it.

Together we set priorities, shape a vision and create a flexible plan of action.

Stabilization comes first. This can be anything from buying and demolishing unsafe, crime-ridden properties to clearing the streets of debris and working with a neighborhood organization. Next we focus on adding decent rental and homeownership opportunities that will appeal to a mixed-income, diverse market. The goal is stronger, safer neighborhoods that have a true sense of community and will appreciate in value. As strides are made, the Housing Partnership develops an exit strategy that includes cultivating and empowering neighborhood leadership to help the community remain self-sufficient.





The impact of housing revitalization in troubled communities*



V A REDUCTION IN CRIME RATES



▲ AN INCREASE IN EDUCATIONAL LEVELS OF RESIDENTS



V A DECREASE IN THE CONCENTRATION OF LOW-INCOME HOUSEHOLDS

Many research studies have documented the positive effects of investments into low-income communities. Some of these improvements are listed here.



V A DECREASE IN THE NUMBER OF HOUSEHOLDS RECEIVING PUBLIC ASSISTANCE



▲ LEVERAGING INVESTMENTS IN COMMUNITY-WIDE IMPROVEMENTS AS A RESULT OF HOUSING REVITALIZATION



▲ AN ENHANCED TAX BASE FOR THE CITY AND COUNTY



Safety lock-downs were a frighteningly regular occurrence for the three and four-year olds at Double Oaks Pre-School. Drive-by shootings and discarded drug paraphernalia were part of the landscape.

Pizza restaurants refused to deliver here. This once barren and distressed area along the Statesville

Avenue corridor today perhaps best illustrates the full scope of change

possible through revitalization.

Transforming communities, transforming lives.

The Charlotte Housing Authority successfully obtained a \$34.7 million HOPEVI grant to redevelop and revitalize the site of the old Fairview Homes public housing apartments. Construction is almost complete on the last phase of this redevelopment, a brand new community center in The Park at Oaklawn, a picturesque, mixed-income neighborhood for all ages. Multi-family rentals, charming single family homes and even an 83-unit complex of affordable housing for the elderly make up the residential component with plenty of beautiful green space throughout. The Park at Oaklawn Community Center which is being developed by Mecklenburg County's Parks and Recreation department, opens on the site in summer 2006 to meet the social and service needs of residents with a computer lab, classrooms, meeting space, a gymnasium and pool. The Housing Partnership was master developer of The Park at Oaklawn which is part of the city's long-range, comprehensive plan for the Statesville Avenue area.



*“You cannot imagine
how desolate it was*

here in the Oaklawn Avenue neighborhood the first time I saw it in 1992. Trash everywhere, no grass. It was barren. People were just getting by, doing the best they could, but it was unlivable. Within a year, the HOPE VI grant came through to revitalize the area and things started to change quickly. It gave us a way to provide services to the community.

I was hired by the school system to work with the families who had children at Double Oaks Pre-school, to nurture and be a support system to them. The Family Resource Center is a safe haven. We provide programs that emphasize health, education, self-sufficiency. Things like nutrition and preparation for taking the GED. Things that change lives. In addition to workshops for parents, we offer activities for the kids, including a wonderful summer camp and cultural outings to places like the Mint Museum and the Blumenthal Center. We want them to see and emulate positive things. Soon we are moving into our new location at the Park at Oaklawn Community Center which will also house the Anita Stroud Afterschool Program, a computer lab and library. When I look back at where we've come from, the transformation has been truly amazing. There is pride, ownership, hope. Cycles of despair have been broken. This will have a tremendous impact on generations to come.”



Carlenia Ivory
Supervisor of the
Family Resource Center
Double Oaks Pre-School

Over in Druid Hills, the neighborhood park is coming to life: two playgrounds, a picnic shelter; ball fields, an amphitheater; basketball, tennis and volleyball courts. It spans several blocks and will be surrounded by new housing. Other pivotal improvements were the opening of the new Druid Hills

elementary school and completion of The Gables, an amenity-filled affordable housing development for seniors.



But perhaps the most dramatic change has been in Genesis Park, a neighborhood that once had the highest crime rate in Charlotte and

was deemed “fragile” in 1992 by the Charlotte-Mecklenburg Planning Commission. According to the 2004 Quality of Life (QOL) Index, Genesis Park is now considered “stable.” Violent crime decreased by 77% between 1992 and 1999 and the drop-out rate was 0.0% in 2004, compared with 8.7% in an adjacent neighborhood.*

*Information provided by the Center for Applied Research at CPCC





Darryl Gaston
Vice President of Druid Hills
Neighborhood Association

“I’ve lived in Druid Hills my entire life

and have been involved with the Neighborhood Association for ten years. My parents were actually instrumental in starting the block association. I volunteer 15-20 hours a week and feel like I have been called to this ministry.

We want to maintain a sense of unity and harmony in our neighborhood, educating residents on how to be good homeowners and good neighbors. The Housing Partnership has been a breath of fresh air for us. They have been inclusive, sharing plans and encouraging residents to be proactive. In building The Gables, they provided us a wonderful place to meet.”

Our biggest problem has been rental property owners who don’t live in the area and don’t care about The Housing Partnership’s safety or aesthetics. We’ve still got hurdles. We need a good-sized grocery store, more retail shopping, and a bus shelter. But the dynamics in Druid Hills have completely changed. There is a positive atmosphere. People are out walking, getting exercise and being more social.

My vision for Druid Hills is a beautiful, safe neighborhood with people who respect and care about each other and are willing to work together to keep things strong. I see it all around. Living in a decent environment affects the way people think, the way they feel about themselves, the way they relate to others. It affects everything.”

The results are immeasurable.

While it is difficult to quantify the results of revitalization in purely financial and statistical terms, there are many indicators of success. The crime rate decreases as does the unemployment level. Household income increases, student academic performance improves. Property values appreciate. Economic development and investment is stimulated in surrounding areas. The Housing Partnership cannot afford to waiver in its revitalization efforts. Improving the viability of individual neighborhoods improves the overall economic level and quality of life in Charlotte and Mecklenburg County.

From experience, we know that good planning and design make a difference. Market viability matters. Strong public and private partnerships matter. Creativity and perseverance matter. We know that for revitalization to be successful and lasting, much more is needed than just a surface make over. Permanent change requires a holistic approach and long-term commitment. Charlotte is a city of neighborhoods and the Housing Partnership is dedicated to helping those neighborhoods with challenges meet their greatest potential.

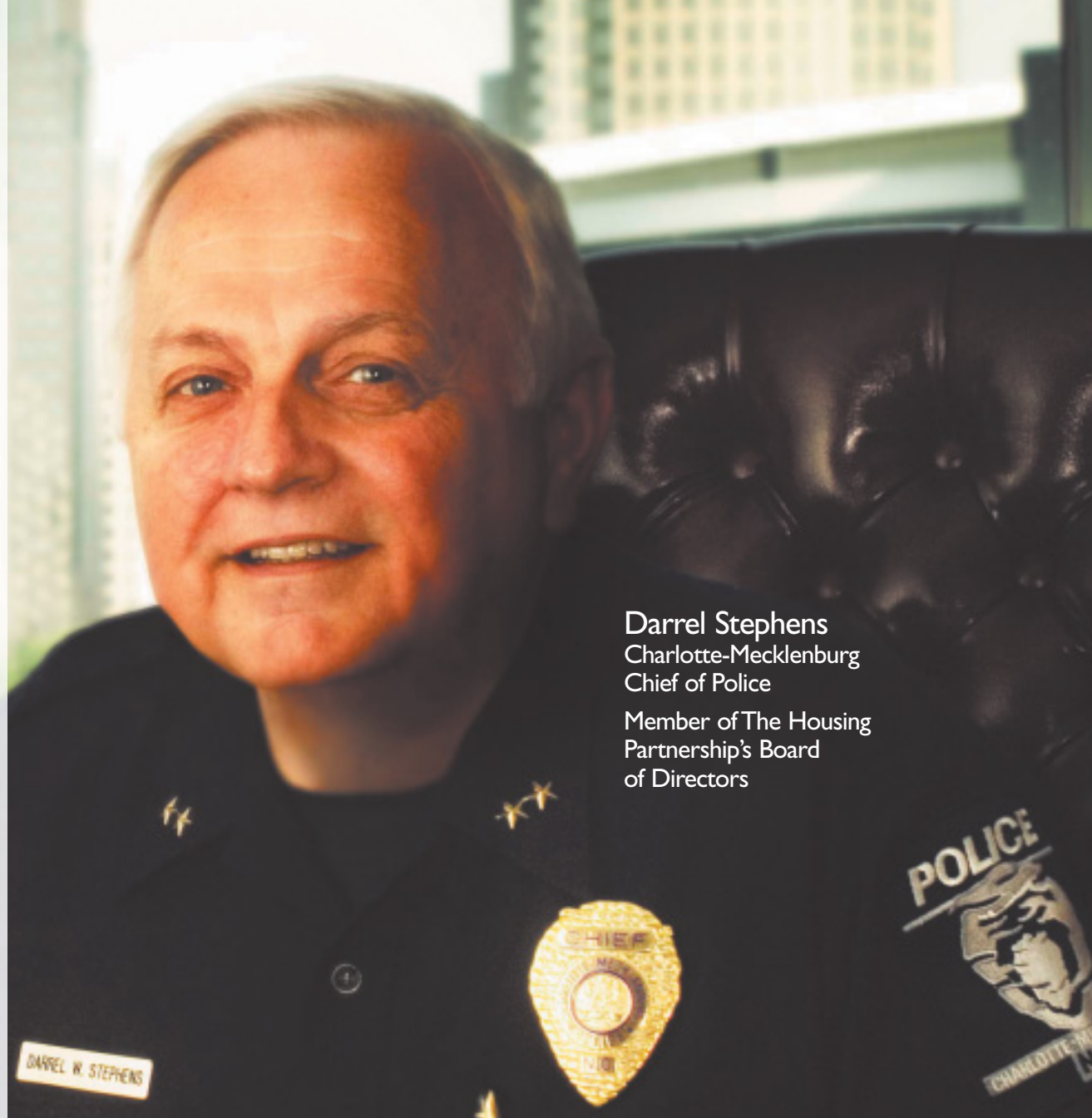


“You can see clear results in neighborhood after neighborhood where the Housing Partnership has been working.

It changes the quality of life. We will usually see a spike in the number of calls when revitalization efforts begin because residents are starting to exert control over their community space. Then it really drops off as the environment becomes stable. From a public safety standpoint, the more people feel like they own part of their neighborhood, the less difficulty there is.

Kohler Avenue is a perfect example. There were 12-13 rental duplexes on a short, dead-end street where we repeatedly arrested and evicted drug dealers. The Housing Partnership was able to come in and buy the units and tear them down. This made long-term change possible.

When the Housing Partnership builds - or rebuilds - they do an excellent job of managing the property. This is extremely important. Problems arise when absentee landlords and investors are not concerned about their properties or the communities surrounding them. In fact, I wish that we could somehow use the Housing Partnership as an example of how everyone should manage property.”



Darrel Stephens
Charlotte-Mecklenburg
Chief of Police
Member of The Housing
Partnership's Board
of Directors

Letter from the Chair

When individuals undergo an “extreme makeover,” an interesting phenomenon occurs. Beneath a dramatically different exterior, there are deeper, intangible changes taking place: shifts in perception, a lift in spirits, an invigorated sense of possibility and hope. The same thing happens when a community is revitalized, as we’ve seen over and over again through our efforts at the Housing Partnership. And the repercussions are major, not only for residents in the revitalized neighborhoods but for all of us in Charlotte and Mecklenburg County.

Positive change of this nature is very hard work. It takes good leadership, strong partnerships, creativity and perseverance. All of which are found in abundance at the Housing Partnership. Here, revitalization is practically down to a science with results measured in terms of public safety, economic development and education. It’s an investment with many happy returns.

In this annual report we share specific revitalization examples and outcomes. We offer a glimpse of what’s ahead. This is an exciting time at the Housing Partnership. The needs of our community are constantly changing. But our mission never will.



Priscilla Wills

Priscilla Wills



Over the last sixteen years, the Housing Partnership has been struggling with the "how to" of revitalization. During this time, we believe that we have learned some valuable lessons in what it takes to revitalize a communi-



Pat Garrett

ty. Although we would never claim to have figured it all out, this annual report is our attempt to put some of those lessons on paper.

Probably the most important lesson is that we can't go it alone. We must have a lot of partners who help along the way. We have been fortunate to have many partners in our neighborhoods in which we have undertaken revitalization efforts. From the financial institutions who invest in our

communities to the volunteers who pick up trash, the efforts of our supporters have been crucial to our successes. We have enjoyed a particularly good relationship with a number of city and county departments, notably the Neighborhood Development Department and the Police Department. Those departments have been an integral part of the redevelopment of our neighborhoods on a regular basis.

One of the other lessons we have learned is that we must have a plan and that plan, although it takes time to develop, can be used as a guide to the needed changes in the community. Nowadays our plans call for the acquisition and stabilization of troubled properties that are obvious to the neighborhood residents as well as various city departments. With the assistance of the City of Charlotte, we have been able to acquire many of those properties and remove the problems that have been creating disorder in their surrounding neighborhoods.

We also believe that it is very important to develop well managed rental properties as well as opportunities for homeownership. We want to enable families to remain in the neighborhood as either renters or owners, so we have a strategy to make that happen.

Finally, the most important thing we have learned is to stay the course. We must stay involved until there is stability in the community. That involvement may be years, but it must continue until we have completed our exit strategy. The exit strategy must be developed early on so that we will know when it is time to move on to other challenges. That is our role: stabilization, revitalization, exit. And then repeat.

Letter from the President

Balance Sheet 2005

Statement of Financial Position	<u>JUNE 30 2005</u>	<u>JUNE 30 2004</u>
Cash	\$ 4,982,210	\$ 4,160,718
Accounts Receivable	\$ 4,723,402	\$ 3,044,414
Notes Receivable	\$ 20,931,950	\$ 22,455,514
Projects in Development	\$ 7,624,215	\$ 4,441,245
Rental Property	\$ 9,101,856	\$ 8,613,759
Other Assets	\$ 1,144,912	\$ 1,144,168
Total Assets	<u>\$ 48,508,545</u>	<u>\$ 43,859,818</u>
Accounts Payable & Accrued Expenses	\$ 2,852,534	\$ 2,036,822
Notes Payable	\$ 17,400,449	\$ 16,356,850
Total Liabilities	\$ 20,252,983	\$ 18,393,672
Net Assets	\$ 28,255,562	\$ 25,466,146
Total Liabilities & Net Assets	<u>\$ 48,508,545</u>	<u>\$ 43,859,818</u>
Statement of Activities		
Grants & Contributions	\$ 3,653,122	\$ 3,368,200
Home and Single Family Lot Sales	\$ 1,225,580	\$ 1,079,100
Other Income	\$ 5,053,751	\$ 3,204,855
Total Revenue & Support	\$ 9,932,453	\$ 7,652,155
Program Costs	\$ 5,860,810	\$ 4,991,449
Support Services	\$ 1,282,227	\$ 1,108,632
Total Expenses	\$ 7,143,037	\$ 6,100,081
Increase in Net Assets	<u>\$ 2,789,416</u>	<u>\$ 1,552,074</u>



Board of Directors 2005

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Attorney at Law

Tim Breslin, Vice Chair
Duke Power Company

Mayor Pro Tem Susan Burgess (a)
Charlotte City Council

William Burton **
Bank of America

Julius L. Chambers
Ferguson Stein Chambers Law
Offices

Dean Devillers
Cashel Park Investors

Dianne English
Community Building Initiative

Kim Graham, Vice Chair
Branch Banking & Trust

Mae Ruth Harrell *
Neighborhood Representative

Jay Harris, Treasurer
PriceWaterHouseCoopers

Randy Hughes, Jr.
Wachovia Bank

Chris Keber, Secretary
Trinity Partners

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Norman Mitchell *
Mecklenburg County Commission

Mike Mulvaney *
Mulvaney Properties

Patrick T. Mumford
Wachovia Bank

Mike Rizer, Past Chair *
Wachovia Bank

Roger Parham **
Headline Realty

Jennifer Roberts (a)
Mecklenburg County Commission

Stephen Schemmel
Wachovia Bank

Tom Shoup
Wood Partners

Chief Darrel W. Stephens (a)
Charlotte-Mecklenburg Police
Department

Ken Szymanski
Charlotte Apartment Association

Wendy Logan-Way **
Neighborhood Representative

Robert L. Warfield
Retired Banker

Priscilla Wills, Chair
Wachovia Bank

Alonzo Woods **
University Park Baptist Church

* Retired Member

** Newly Elected Member

(a) Appointed Member

Dedication

This annual report is dedicated to all of the development partners it took to assist us in completing our role as master developer in the redevelopment of The Park at Oaklawn.

Charlotte Housing Authority

Crosland

Charlotte-Mecklenburg Senior Centers

Saussy Burbank

City of Charlotte

Wachovia Bank

The Anita Stroud Foundation

Mecklenburg County

US Department of Housing and Urban Development







THE HOUSING PARTNERSHIP

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