

**CLOUDING UP**  
 Cloudy today with a chance of showers and thunderstorms; humid tonight.  
**Forecast, B6**

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# SUMMER FOR RENT



THE PROVIDENCE JOURNAL / JOHN FREIDAH

Chris Kuhn plays with Julia, 4, and Kyle, 9, outside their rental on Continental Road in Narragansett. Kuhn and his wife, Sharon, of Madison, Conn., have been weekly renters in the Narragansett area for the last eight years.

## Cottage rentals down across South County

**BY TOM MOONEY**  
 JOURNAL STAFF WRITER

SOUTH KINGSTOWN — Chuck Cummiskey runs his summer cottage rental office from a tiny outpost along the wind-swept breakdown lane of Succotash Road, where two sounds have become his barometers of business.

He isn't liking what he isn't hearing. Too few phone calls; not enough tires grinding into the stone driveway. Cummiskey, who runs Shoreline Realty, began noticing a slack in phone calls months

ago. Many of those who did call were doing more inquiring than actual booking. Some of his regular customers who usually spend the same weeks at some of the 70 Matunuck cottages he rents called to apologize.

"I've had at least six people call and say, 'My husband lost his job, can't do it this year.'" Jim Durkin's cottage real estate office is nine miles away by car on Point Judith Road in Narragansett. And he's hearing — or not hearing — the

"People are nervous about what the future holds."

**CHUCK CUMMISKEY,**  
 real estate agent



Chuck Cummiskey of Shoreline Realty, which oversees Wakamo Park on Potters Pond in Matunuck, says his rental business is off by about 20 percent this year.

same thing. "We've had a lot of declined credit cards," Durkin said. One desperate vacationer-to-be put his deposit on three

separate credit cards, Durkin said. "People are saying to us, 'You

SEE **RENTALS, A7**

## Fears sending mortgage rates higher

**BY VIKAS BAJAJ**  
 THE NEW YORK TIMES

Mortgage rates are rising because of the troubles at the loan finance giants Fannie Mae and Freddie Mac, threatening to deal another blow to the faltering housing market.

Even as policymakers rushed to support the two companies, home-loan rates approached their highest levels in five years.

The average interest rate for 30-year fixed rate mortgages rose to 6.71 percent yesterday, from 6.44 percent on Friday, according to HSH Associates, a publisher of consumer rates. The average rate for so-called jumbo loans, which cannot be sold to Fannie Mae and Freddie Mac, was 7.8 percent, the highest since December 2000.

Loan rates are rising because of concern in the financial markets about the future of Fannie

SEE **MORTGAGES, A7**

### Economy update

■ Housing prices fell 4.8 percent in May, the steepest decline in a year, according to the Office of Federal Housing Enterprise Oversight. **Story, F1**

■ Peter R. Orszag, an official with the Congressional Budget Office says that the government's plan to extend credit to mortgage giants Fannie Mae and Freddie Mac could end up costing taxpayers as much as \$25 billion. But he added that there was a better than even chance that the line of credit would not actually be used, meaning there would be no cost to taxpayers. (AP)

■ Wachovia Corp., the nation's fourth-largest bank, reports a second-quarter loss of nearly \$9 billion due mostly to charges and reserves for bad mortgage loans. The North Carolina bank says it plans to eliminate more than 10,000 positions. (AP)

## Five employees fired in reorganization at Resource Recovery

"We're trying to create a stronger, flatter, leaner organization ..." says Michael O'Connell, executive director of the embattled agency that oversees the Central Landfill.

**BY MIKE STANTON**  
 JOURNAL STAFF WRITER

The head of Rhode Island's trash agency yesterday fired five longtime employees in a management reorganization that he said would save taxpayers more than \$500,000 a year.

The shakeup follows months of turmoil at the Rhode Island Resource Recovery Corporation, where the executive director hired last year has clashed with old-guard leaders, prompting an exodus of board members and an ongoing forensic audit of possible mismanagement and criminal wrongdoing at the dump.

Michael O'Connell, the executive director of Resource Recovery, said that the reorganization was not prompted by the forensic audit, but by a desire to change how things are done at the \$70-million agency that oversees state recycling programs and the Central Landfill in Johnston.

"They're looking back," O'Connell said of the auditors. "I'm looking ahead. We're trying to create a stronger, flatter, leaner organization that can better serve the taxpayers. It's a new era."

Among those ousted yesterday

SEE **FIRE, B3**

## DUI suspect's alcohol test shows highest level in R.I.

A detoxification expert says Stanley Kobierowski, who had a blood-alcohol level of .491 when his car hit a sign on Route 95, is lucky to be alive.

**BY RICHARD C. DUJARDIN**  
 JOURNAL STAFF WRITER

A North Providence man who crashed into a road sign late Monday was tested as having a blood-alcohol level six times the legal limit — believed to be the highest reading on a Breathalyzer in Rhode Island, according to the state police.

Stanley Kobierowski, 34, was tested after he crashed into an electronic message board on Route 95 near Providence Place.

He tested at the scene with a blood-alcohol level of .489 and then .491. Kobierowski was released on personal recognizance after a bail hearing and will face another hearing Friday on charges of drunken driving and resisting arrest.



**KOBIEROWSKI**

Brown University officials confirmed yesterday that until last year, Kobierowski was a chef at the residence of Brown president Ruth Simmons. He was also a chef at the former LaLuna

SEE **DRIVER, A7**

## A CHEERING SECTION FOR R.I. OLYMPIAN

**BY ARLINE A. FLEMING**  
 JOURNAL STAFF WRITER

NORTH KINGSTOWN — Danny Beisel's unofficial summer reading list includes a history of China.

It would almost have to, since he'll be traveling there to witness his big sister Elizabeth compete as a 2008 Olympic swimmer.

"It's an opportunity for him to be part of the Olympics and to be supportive of Elizabeth," said Joan Beisel, mother of the 15-year-old North Kingstown High School junior who earned spots in the 200-meter backstroke and the 400-meter individual medley during this month's Olympic trials. "He's very excited to go. We've got a couple of books on Chinese

history," she said, guessing that it's not on his school's required summer reading list.

As she and Danny, 14, plan their trip, she explained yesterday that though the family has been in communication with Elizabeth as she trains and prepares for the Olympics, they don't expect to see her at all while overseas.

"Nope," she said. "We're not able to mingle with the athletes."

SEE **BEISELS, A7**

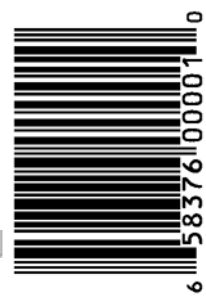
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Olympic swimmer Elizabeth Beisel, 15, of North Kingstown, takes a break from practice at Stanford University in Palo Alto, Calif., earlier this month. Beisel's mother and brother are planning to fly to China to watch her compete in the summer games.

AP / TONY AVELAR



### INSIDE TODAY

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 7 SECTIONS

Ask Amy	E8	Local News	D1
Bridge	E8	Lotteries	C4
Business	F1	Obituaries	D4
Classified	F4	People	E5
Comics	E9	projoCars	G1
Crossword	E8	Rhode Island	B1
Editorial	B4	Sports	C1
Food	E1	Television	E10
Legal ads	F4	What's Happening	E8
Lifbeat	E5		

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### HIDING IN PLAIN SIGHT

He grew long white hair and a flowing white beard and worked in a clinic in Belgrade as a practitioner of alternative medicine. Officials are slowly unraveling the secret life that allowed war-crimes suspect Radovan Karadzic to elude capture for more than a decade. **A5**



### LIFEGUARD ON DUTY

After one man drowns and another is seriously injured while diving into the pond at the World War II Memorial State Park in Woonsocket, the Department of Environmental Management is stationing a lifeguard at the reopened facility. **B1**

### FESTIVAL QUARREL

This weekend's Puerto Rican Cultural Festival scheduled for the Providence waterfront finds itself caught in the middle of a dispute between the venue's owner and a coalition of business owners in the area. **B1**