



CITY OF CAMBRIDGE
COMMUNITY DEVELOPMENT DEPARTMENT

BETH RUBENSTEIN

Acting Assistant City
Manager for Community
Development

TO: Robert W. Healy, City Manager

FROM: Beth Rubenstein, Acting Assistant City Manager for Community Development

DATE: April 27, 1999

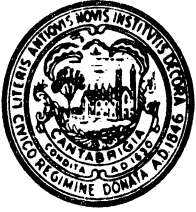
RE: City Council Order #007 dated 3/22/99: Investigate agreements by USTrust in Area Four to reach out to offer local people jobs; the City's monitoring since the agreement was executed; and any other such agreements that have been made

In response to the above-referenced order, we report the following:

The City entered into a UDAG (Urban Development Action Grant) Agreement with HUD on July 7, 1986 under which \$1,000,000 was loaned to USTrust for conversion of a former mill facility in Area Four into a high-rise structure for office space, a branch bank, and parking for approximately 128 cars.

A major component of this UDAG Agreement was job creation, as is the case with HUD's UDAG program nationwide. In the agreement, the City was obligated to "use its best efforts to cause to be created the numbers and kinds of jobs specified in Exhibit A." Exhibit A required USTrust and its tenants to work toward the creation of "114 permanent jobs with 51 going to lower-income persons, 34 to CETA-eligible persons, and 22 to minorities." No geographic area requirement or preference was stated.

In its monitoring of the agreement, the City required USTrust and its tenants to submit semi-annual reports on total jobs created, as well as to submit whatever information the new employees were willing to volunteer regarding family income, race/ethnicity, etc. The City's final report to HUD in 1992 states that 340 permanent jobs were created. The City has also continued to work with the Area Four neighbors on the use of the UDAG funds repaid by USTrust.



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EXECUTIVE DEPARTMENT
ROBERT W. HEALY
City Manager

RICHARD C. ROSSI
Deputy City Manager

May 3, 1999

To The Honorable, The City Council:

Please find attached a response to Awaiting Report Item No. 99-55, regarding a report on agreements by USTrust in Area Four to reach out to offer local people jobs, received from Acting Assistant City Manager for Community Development Beth Rubenstein.

Very truly yours,

Robert W. Healy
City Manager

RWH/mec
Attachment

Consent Agenda #3

3/4
~~3/4~~

Relative to AW Rpt. #99-53,
regarding a report on agreements
by US TRust in AREA Four to
reach out to offer local people
jobs.

In City Council May 3, 1999

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