



OFFICE OF THE CITY CLERK

CITY OF CAMBRIDGE

(617) 349-4260

FAX (617) 349-4307

tty/TDD (617) 492-0235

D. MARGARET DRURY
CITY CLERK

DONNA P. LOPEZ
DEPUTY CITY CLERK

April 30, 1997

The Honorable Joseph Kennedy
2242 Rayburn House Office Building
Washington, D.C. 20515-2107

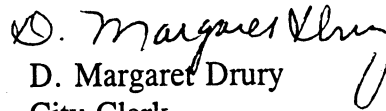
Dear Representative Kennedy:

The Cambridge City Council has asked that I write to you to request your assistance to the 324 and 340 Franklin Street Tenants Association, whose members are seeking to obtain documents from the FDIC regarding the acquisition of their building. A freedom of information request (FDIC Log No. 97-0048) was made to the FDIC by tenant Gary Mello, and the tenants have reported that they have not yet received the requested information. The City Council hopes that you will be able to help expedite this process.

Copies of the City Council Order and the tenants' letter to the City Council are attached, along with a copy of my letter to the property owner, Bilmark, LLC.

Thank you for your assistance in this matter.

Sincerely,


D. Margaret Drury
City Clerk

cc: Tenants Association
Roger Herzog, Community Development Department

DMD:gwj



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April 30, 1997

Mr. Mark Levy
Bilmark LLC
c/o Riverside Properties, Inc.
One Washington Street, Suite 300
Wellesley, MA 02181

Dear Mr. Levy:

At its April 28, 1997 meeting, the Cambridge City Council voted its full support for the residents of 324 and 340 Franklin Street in their efforts to protect the affordability of their homes. The Affordable Housing Trust and the Cambridge Community Development Department will look closely at the financial feasibility of acquisition of this property for affordable housing. The City Council trusts that you will cooperate in this endeavor.

The City Council has directed me to notify you of its concern about the situation in which these residents find themselves and the need to preserve the affordability of these dwelling units.

Thank you for your attention to this matter.

Very truly yours,

D. Margaret Drury
D. Margaret Drury
City Clerk

cc: Tenants Association
Roger Herzog, Community Development Department

DMD:gwj

324 Franklin St. Apt 2
Cambridge, MA 02139
ph: 354-6231

April 16, 1997

Dear Cambridge City Councilors:

As the daughter-in-law of Herbert Mello, Sr., I wish to express our family's deepest thanks and appreciation to the City Council for its resolution of condolence at his passing last month. We especially wish to thank Councilors Duehay and Toomey for their attendance at his wake and memorial service.

As a life-long Central Square resident, Herb cared very much about his Cambridge community. He was passionate about defending the integrity of that community and expressing his concerns and vision for it. Regretfully, the Cambridge Herb knew and loved is being dismantled: tenant by tenant; building by building; neighborhood by neighborhood. So with Herb's passing it is left to us -- his family, friends, and neighbors -- to carry on, fighting for the stability and integrity of the community he loved.

As you are well aware, Cambridge is in the throes of an affordable housing crisis. What you may not realize is that the problem is, literally, right before your eyes. As you stand on the steps of City Hall and look over between the Post Office and the new Senior Center, there is only one house visible: our house, a lovely (though somewhat neglected) turreted Victorian at 324 Franklin Street. It is a former rent control building that contains nine units and is the home to a dozen tenants. I am writing to you because our tenancy in this house and this community is in jeopardy.

Due to a bankruptcy by our former landlord, Lisa Development Trust, our building's mortgage, as well as the mortgage for 340 Franklin St. (a four-unit apartment house), has been acquired (via a sealed deal with the FDIC) by Billmark, LLC, a real estate investment company from Wellesley. On March 21, Billmark foreclosed on and became landlords of 340 Franklin St. Since then Billmark has informed the tenants with long-term leases that their leases are now invalid and they are being offered new tenancies with rent increases as high as 555%.

On Thursday, April 24, at 11am, Billmark has scheduled a foreclosure auction here at 324 Franklin, and we fear a similar fate awaits us unless we can mobilize the support of our community and arrange through the affordable housing programs and non-profit groups to purchase the building from Billmark.

I, along with the other members of the 324 & 340 Franklin Street Tenants' Association, urge the City Council to strongly support and strengthen the existing affordable housing programs and to promote new and future initiatives that will procure funding to purchase

properties like 324 and 340 Franklin in order to provide long-term low and moderate income housing stock in Cambridge. Your support is critical to the preservation and stability of our homes and community.

My husband's grandparents lived in this house and we had hoped to raise our family -- the 4th generation -- here too. So as you leave City Hall and walk down the front steps I hope you will look out at our house and be inspired by the present opportunities to secure a rich and diverse future for Cambridge. Carpe diem.

Sincerely,

Susan Lindsay Mello

Susan Lindsay Mello



City of Cambridge

42.

Amended Order

IN CITY COUNCIL

April 28, 1997

COUNCILLOR DUEHAY
VICE MAYOR BORN
COUNCILLOR DAVIS
COUNCILLOR GALLUCCIO
COUNCILLOR REEVES
MAYOR RUSSELL
COUNCILLOR SULLIVAN
COUNCILLOR TOOMEY
COUNCILLOR TRIANTAFILLOU

ORDERED: That the City Manager be and hereby is requested to ensure that the Cambridge Affordable Housing Trust makes every effort, to acquiring the properties at 324 and 340 Franklin Street to preserve those units as affordable and to protect the low and moderate income tenants now living there who are threatened with massive rent increases which will surely mean the loss of their housing; and be it further

ORDERED: That the City Clerk be and hereby is requested to notify Bilmark of the strong interest of the City Council in maintaining affordable rents at this property; and be it further

ORDERED: That the City Clerk be and hereby is requested to send a letter to Representative Joseph Kennedy requesting his assistance to the tenants to expedite freedom of information request to the FDIC (log #97-0048) for disclosure and release of information regarding the purchase price and mortgage of this property.

In City Council April 28, 1997

Adopted as amended by the affirmative vote of nine members.

Attest:- D. Margaret Drury, City Clerk.

A true copy;

D. Margaret Drury

ATTEST:-

D. Margaret Drury
City Clerk

April 28, 1997

COUNCILLOR DUEHAY

ORDERED: That the City Manager be and hereby is requested to ensure that the Cambridge Affordable Housing Trust makes every effort to acquire the properties at 324 and 340 Franklin Street to preserve those units as affordable and to protect the low and moderate income tenants now living there who are threatened with massive rent increases which will surely mean the loss of their housing; and be it further

ORDERED: That the City Clerk be and hereby is requested to notify Bilmark of strong interest of the City Council; and be it further

ORDERED: That the City Clerk be and hereby is requested to send a letter to Representative Joseph Kennedy requesting his assistance to the tenants to expedite their FDIC request (log #97-0048) disclosure and release of information regarding purchase price and mortgage of this property.

In City Council April 28, 1997

Adopted as amended by the affirmative vote of nine members.

Attest:- D. Margaret Drury, City Clerk.

A true copy;

ATTEST:-

D. Margaret Drury
City Clerk

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324 Franklin St. Apt 2
Cambridge, MA 02139
ph: 354-6231

April 16, 1997

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As a life-long Central Square resident, Herb cared very much about his Cambridge community. He was passionate about defending the integrity of that community and expressing his concerns and vision for it. Regretfully, the Cambridge Herb knew and loved is being dismantled: tenant by tenant; building by building; neighborhood by neighborhood. So with Herb's passing it is left to us -- his family, friends, and neighbors -- to carry on, fighting for the stability and integrity of the community he loved.

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Due to a bankruptcy by our former landlord, Lisa Development Trust, our building's mortgage, as well as the mortgage for 340 Franklin St. (a four-unit apartment house), has been acquired (via a sealed deal with the FDIC) by Billmark, LLC, a real estate investment company from Wellesley. On March 21, Billmark foreclosed on and became landlords of 340 Franklin St. Since then Billmark has informed the tenants with long-term leases that their leases are now invalid and they are being offered new tenancies with rent increases as high as 555%.

On Thursday, April 24, at 11am, Billmark has scheduled a foreclosure auction here at 324 Franklin, and we fear a similar fate awaits us unless we can mobilize the support of our community and arrange through the affordable housing programs and non-profit groups to purchase the building from Billmark.

I, along with the other members of the 324 & 340 Franklin Street Tenants' Association, urge the City Council to strongly support and strengthen the existing affordable housing programs and to promote new and future initiatives that will procure funding to purchase

properties like 324 and 340 Franklin in order to provide long-term low and moderate income housing stock in Cambridge. Your support is critical to the preservation and stability of our homes and community.

My husband's grandparents lived in this house and we had hoped to raise our family -- the 4th generation -- here too. So as you leave City Hall and walk down the front steps I hope you will look out at our house and be inspired by the present opportunities to secure a rich and diverse future for Cambridge. Carpe diem.

Sincerely,

Susan Lindsay Mello

Susan Lindsay Mello



City of Cambridge

42.

Original Order

IN CITY COUNCIL

April 28, 1997

COUNCILLOR DUEHAY

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File w/
Ord #42
4/28/97

Cambridge City Council Meeting, April 28, 1997

Good evening Madame Mayor, Madame Vice-Mayor, and City Councillors. My name is Susan Lindsay Mello and I am speaking to order #42, sponsored by Councillor Duehay.

I'm here tonight representing the 324 & 340 Franklin Street Tenants' Association. My name may sound familiar because I wrote to you on April 16th explaining that our house was being foreclosed on, putting our tenancies in jeopardy, and asking for the City Council's help and support. I noticed that a copy of my letter to the City Councillors, which details the situation, is included here with Councillor Duehay's order in tonight's meeting agenda. So I won't repeat what I assume you've already read.

I will, however, update you on the situation. On April 24, Billmark, the Wellesley-based real estate investment company that held the mortgage for 324 Franklin St, did indeed foreclose on the property. There were no bids offered at the foreclosure auction that were acceptable to them, so they bid \$300,000 and kept the property for themselves.

We very much appreciate Councillor Duehay's sponsorship and we hope that the other City Councillors will also support the order, which encourages the Cambridge Affordable Housing Trust to make every effort to acquire 324 and 340 Franklin Street from Billmark in order to preserve the units as affordable housing and protect us from massive (up to 555%) rent increases that would force us out of our homes and very likely out of Cambridge.

At this time we respectfully ask that the Council consider two ammendments to the order which we feel will greatly strengthen its impact:

First, that the City Council send a letter to Billmark, stating the council's support of efforts to purchase the buildings through the Cambridge Affordable Housing Trust and one of the city's non-profit agencies. This would ensure that Billmark, a Wellesley-based real estate investment company, is made aware of the Cambridge City Council's support of both the tenants and affordable housing.

Second, that the City Council send a letter to our state Representative, Joseph Kennedy II, who sits on the Banking and Financial Services Committee, asking him to expedite the disclosure of the FDIC documents involved in the acquisition of the mortgage of our buildings by Billmark.

Although we filed a Freedom of Information Act request to obtain these documents in January, and were assigned an FDIC log number (97-0048), we have been met with considerable reluctance and red tape in processing our request. We are seeking the documents that would disclose the purchase amount paid by Billmark to acquire the mortgage. We have reason to believe that Billmark acquired the mortgage for pennies on the dollar and we believe that knowing the exact amount would greatly enhance the bargaining position of the Affordable Housing Trust in negotiating the purchase of these buildings.

In closing, I would like to say that your support of the Affordable Housing Trust Fund for buildings like ours to provide long-term low and moderate income housing is critical to the preservation and stability of our homes, neighborhoods, and community. Many of the tenants and families have lived at 324 and 340 Franklin Street for two, three, and even four decades. My husband's grandparents lived at 324 Franklin and we had dreamed of raising our family, the 4th generation, there too. With your support I hope that dream can come true. Thank you.

324 Franklin St. Apt 2
Cambridge, MA 02139
ph: 354-6231

April 16, 1997

Dear Cambridge City Councilors:

As the daughter-in-law of Herbert Mello, Sr., I wish to express our family's deepest thanks and appreciation to the City Council for its resolution of condolence at his passing last month. We especially wish to thank Councilors Duehay and Toomey for their attendance at his wake and memorial service.

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Duehay

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Order
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INDIVIDUAL N/A.

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IN CITY COUNCIL

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Born, Davis, Galluccio, Reeves,
Consent Order #42 Russell, Toomey + Triantafyllidis
Councillor Duehay re: 324 and 340
Franklin Street be acquired as *Gulbrann*
affordable housing.

5-233

*See also Comm #66 of
8/4/97 for followup
letter.*

In City Council April 28, 1997

ORDER ADOPTED