

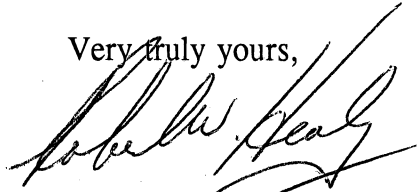
The Honorable, The City Council
February 28, 1994
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At Briston Arms, HUD has recently issued its preliminary approval of the owner's Plan of Action. The City and tenants have sixty days to comment on the Plan, prior to HUD issuing final approval. This comment period is the only opportunity for the City and tenants to provide input into the proposed rent structure and capital improvement plan for the project. For the next six months, the housing planner and the organizer will allocate significant time to Briston Arms.

In addition, the organizer convenes the Citywide At-Risk Tenant Committee, which includes tenants from all of the EUR projects. The group meets monthly to share information on the EUR issue, and to advocate for the preservation of affordability in these projects.

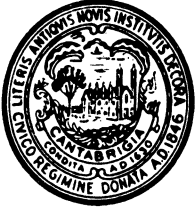
Finally, the City provides information to tenants in the four inactive EUR projects. Given the demands of the active projects, however, there is limited available resources to commit to these inactive projects. The timing of the HUD regulatory process for the six projects should allow the City to shift resources to the active projects as needed.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Robert W. Healy", written over a horizontal line.

Robert W. Healy
City Manager

RWH/mev



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EXECUTIVE DEPARTMENT

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February 28, 1994

To The Honorable, The City Council:

In response to Awaiting Report Item No. 4, regarding "expiring use" buildings in Cambridge, please be advised of the following:

As discussed in the recent status report on expiring use buildings, the City has established a high priority for preserving the affordability of housing developments facing expiring use restrictions (EUR). There are six such projects, comprising over 1,200 units, facing this issue during the 1990s. This memo provides additional information on how the City will implement this policy goal.

Of the six EUR projects, two are currently active in the HUD regulatory process to preserve affordability. These two projects are 1) 808-812 Memorial Drive; and 2) Briston Arms. In one additional project, 929 House, the owner filed a notice in 1990 reserving its right to take advantage of the federal incentives to preserve affordability. The owner of 929 House has not taken any further action, and is not considered active in the HUD process. The owners of the three remaining EUR projects have taken no action to date to trigger the HUD regulatory process. These inactive projects are 1) Huron Towers; 2) Rindge II (Alewife Brook Parkway Apartments); and 3) Cambridge Court/411 Franklin Street.

The City has allocated one housing planner in the Community Development Department to serve as the EUR project manager. This role includes monitoring the status of EUR projects, working with HUD and MHFA, as well as providing technical support to both tenants and owners. In addition, the City has funded a tenant organizer working at CEOC, Inc. The organizer conducts outreach to tenants living in EUR projects, disseminates information about the HUD regulatory process, and assists tenants in organizing to protect their interests in the process.

Currently, the City has prioritized the allocation of its resources to the two active EUR projects. At 808-812 Memorial Drive, the tenants are working with Homeowner's Rehab, Inc., (HRI) to form a partnership to acquire the project. HUD will be determining the value of the property, based on two appraisals, in the coming months. The owner will then reconfirm its intention to sell the project, which should occur by the summer of 1994. At that point, the tenant-HRI partnership will need to act quickly to submit an offer to purchase. The sale process will take an additional 18-36 months. This project demands a major allocation of both the planning and organizing resources.

Consent Agenda #6

S-80

Transmitting communication From
R.W. Healy re: Awaiting Report Item
No. 4 "expiring use" buildings in Cambridge.

for original address see
1994 City Manager's
Requests # 6

1st rep. rec 2/7/94 -
See 1994 - Sundries #36

In City Council February 28, 1994

Referred to Housing &
Community Dev. Committee
Copy sent to Housing &
Community Dev. Comm. 3/2/94 (ed)