The original documents are located in Box 48, folder "President - Personal Clubs" of the Philip Buchen Files at the Gerald R. Ford Presidential Library.

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THE WHITE HOUSE

WASHINGTON

November 21, 1974

To: Dorothy

From: Eva

I assume this is one you will want to take in to the President yourself.

Thanks.

WASHINGTON

November 25, 1974

Attention: Fred Dixon President

Gentlemen:

It has come to my attention that I may have overlooked sending you a written resignation from the positions I had while a Member of Congress when I served on your Board of Directors and Executive Committee.

Please accept this letter as my written resignation from both such positions.

Sincerely,

MIR Fil

Gerald R. Ford

Capitol Hill Associates, Inc. 310 First Street, Southeast Washington, D. C. 20003





ADMINISTRATIVELY CONFIDENTIAL

C. CC. PHIL DUCHEN

OFFICE OF THE VICE PRESIDENT

WASHINGTON

April 28, 1975

MEMORANDUM FOR THE VICE PRESIDENT

FROM: Peter J. Wallison

SUBJECT: The Capitol Hill Club

As far as I have been able to determine at the present time, this is the situation:

1. Travelers Insurance Company, the holder of the only existing mortgage on the premises occupied by the Republican National Committee and the Capitol Hill Club is about to foreclose its mortgage.

2. Foreclosure is imminent because the Club has not been meeting its rental payments to Capitol Hill Associates, the owner of the property, and Capitol Hill Associates ("Associates") in turn has not been able to make timely mortgage payments.

3. The Club needs approximately \$700,000 to clear up its debts (mostly to the Marriott Corporation) and to pay its rent through 1976; Associates needs approximately \$400,000 to clear up its own outstanding obligations.

4. Advances to Associates could be secured by a second mortgage (after Travelers) on the premises occupied by both the Club and RNC, but advances to the Club would be unsecured, and there can be no assurance that it would ever be recovered unless the Club became a going concern. The following questions arise at this point:

(a) Is your interest here in preserving the Club or just the Republican National Committee lease?



Because the leases of both the Club and the Committee have been assigned to Travelers as security for the mortgage, if Travelers forecloses it would be in a position to evict the Republican National Committee as well as the Club. Thus, it could be argued that the only way to protect the tenure of the RNC is to finance the operation of the Club.

This argument, however, does not work. Travelers would not want to evict the RNC, because the zoning for the property permits occupancy only by the Republican National Committee, and Travelers would have great difficulty getting a variance. Instead, Travelers will probably sell the property to Congress, which has a right of first refusal on both properties and wants to use at least the Club building for office space. John Rhodes has said that if the property is sold to Congress, he can arrange to have the RNC property leased back to RNC again.

In this transaction, the Club would fold and the losers would be Marriott Corporation (\$270,000) and certain other creditors of the Club. Associates would come out with a profit of approximately \$300,000, since the pre-agreed price for the property to Congress exceeds by that amount the total principal sum of the mortgage and other obligations of Associates.

(b) If your purpose, on the other hand, is to save the Club as well as the RNC, things are a good deal more complicated.

As noted above, any advance to the Club would be unsecured, and might be lost entirely if it does not become a viable organization.* This risk could be reduced by inducing the RNC to pick up a larger portion of the rent paid by the two entities to Associates, releasing a larger proportion of the Club's income for repayment of the loan made by the group you would assemble. Naturally, however, this is no guarantee that your investors would get their money back in two years, or ever.

* It should be noted that the officers of Associates who I have spoken to seem to believe that the Club would be viable under new management and that a report on the Club by Restaurant Associates of New York demonstrates this. The reasons for your entering this transaction anyway are unclear to me. Apparently, there is a feeling that it would be a great political issue for the Democrats if a Republican organization went into bankruptcy. However, it would also be a nice issue, and would cause you personally many difficulties, when it became known that you had assisted the RNC and the Capitol Hill Club by advancing a substantial amount of money with no real hope of return.

However, I have tentatively set up a meeting for Wednesday afternoon with the officers and attorneys for Associates, and I will, of course, go forward with this transaction unless you indicate otherwise.

~ · · ·

WASHINGTON

May28, 1975

Dear Mr. Cobb:

It was most kind of you, on behalf of the Board of Governors, to extend an invitation to me to become an Honorary Member of the Chevy Chase Club.

I was deeply gratified by this thoughtful gesture, and while it is not possible for me to formally accept your gracious invitation, I hope you will express my sincere appreciation to all the members of the Chevy Chase Club.

With my thanks and best wishes,

Herold R. In

Mr. Calvin H. Cobb, Jr. President Chevy Chase Club Chevy Chase, Maryland 20015



Charge chie

WASHINGTON

May 28, 1975

ADMINISTRATIVELY CONFIDENTIAL

MEMORANDUM FOR:

FROM:

SUBJECT:

PHIL BUCHEN JERRY H. JONE

Honorary Memberships and Endorsements for the President and his Family

Your memorandum to Don Rumsfeld of May 22 on the above subject has been reviewed. The attached letter is forwarded to you for appropriate handling.

Thank you.

cc: Don Rumsfeld

ADMINISTRATIVELY CONFIDENTIAL

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THE WHITE HOUSE WASHINGTON September 13, 1975

MEMORANDUM FOR:

PHIL BUCHEN

FROM:

BARRY ROTH

SUBJECT:

Press inquiry concerning the Capitol Hill Club

On Friday, the Press Office referred Ms. Judith Roales of the Delaware State News (671-8172) to me for the purpose of explaining, on a not-for-attribution basis, our regulations on employee conduct that deal with trading on one's White House position for personal profit. She then posed a hypothetical question that clearly referred to the Vice President arranging for the President to appear at the fundraiser for the Capitol Hill Club. After speaking with Peter Wallison, I explained to her that our office wasn't familiar with the facts surrounding this event or the Vice President's stock ownership in Capitol Hill Associates (Associates), the club's landlord, and that she should call the Vice President's press office. Apparently her inquiry is directed to show that the club is on the brink of bankruptcy and that the President's appearance benefits the Associates, a corporation in which the Vice President owns 300 shares.

Peter explained, in confidence, that the Vice President will be giving his shares to charity as soon as the paperwork is completed by his private counsel. He also raised the point that the President's children, and perhaps the President, own a small number of shares in Associates. I checked with Benton Becker on this, and his recollection is that the children do own one share each, which was purchased by Congressman Ford not as an investment but in order to raise the funds necessary to build the Eisenhower Center. The stock pays no dividend. Peter, Benton and I agree that, for the reporter to write that the President or Vice President is personally profiting from the fundraising for the club, she has made a very strained and inaccurate conclusion.

If an inquiry is made to us in this regard, the following could be offered in response: (1) The Capitol Hill Club is not on the brink of bankruptcy, and, since January, has been in the black, despite an overall deficit.

(2) Capitol Hill Associates is not an investment venture but was simply the vehicle chosen to finance the Eisenhower Center. It pays no dividend.

(3) There is no pecuniary benefit to the President, Vice President or First Family as a result of these efforts on behalf of the Club. The Club is separable from Associates, and, even if the Club were to go bankrupt, the Associates continue to own the property, subject to the outstanding mortgage, and any other liens. Obviously, the stockholders of Associates are not personally liable for any debts of either the Club or Associates.

(4) The Club is a Republican social club, and, for this reason, the President and Vice President obviously would like to be of assistance to it.

I understand that the eventual goal is for the Club to buy the building from Associates at its original cost. The stockholders would then be in a position to recover their original investment, or something approximating that amount.

It is appropriate to consider whether the President or First Family should follow the Vice President's example and donate the stock to charity. However, before recommending this, we should check with Bob McBain to see who owns any such stock and in what amounts. In the absence of yourself and Rod, I have mentioned this to Jim Connor in order that someone will be aware of these inquiries.



OFFICERS

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Mrs. Gerald R. Ford SECOND VICE PRESIDENT Mrs. Mary Louis Smith THIRD VICE PRESIDENT Hon. Robert C. McEwen IREASURER Thomas J. Lankford SECRETARY Mrs. John R. Gomien

300 First Street, Southeast Washington, D.C. 20003 484-4590

March 12, 1976

Mr. Philip W. Buchen The White House Washington, D.C. 20500

Dear Phil:

On behalf of the Capitol Hill Club I would like to cordially invite you to attend Michigan state night which will be held at the club on Tuesday, April 27, 1976 from 6:00 to 11:00 p.m.

This promises to be a very enjoyable evening for all Michiganders and their friends in the Washington area, and we certainly hope that you will be able to be with us. In honor of Michigan state night the staff of the club is putting together a special dinner menu, and arranging for live entertainment.

The club is doing its best to notify as many Michiganders as possible about this event, and we hope that you will spread the word as well. Arrangements will be made so that those persons who are not members of the club may pay cash for their food and drinks.

If you or a member of your staff should have any questions about the details of this party, they should call Mrs. Carol Marck at 365-0940, or Miss Libby Powell at 452-8777.

I certainly hope that I can plan on seeing you there on April 27th.

With best wishes, I am

Cordially,

Uller

Charles E. Chamberlain

Do Con Don Do Con Con FOR

Mr. Joseph M. Baker, Jr. Mr, Joe Bartlett Mrs. Lamor L. Briner Hon. William S. Broomfield Hon. Clarence J. Brown Hon. Elford A. Coderherg

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WASHINGTON

Capitol Hill Cent

April 13, 1976

MEMORANDUM FOR:

JACK MARSH DOUGLAS BENNETT JUDY HOPE BOBBIE KILBERG KENNETH LAZARUS CHARLES LEPPERT RICHARD PARSONS BARRY ROTH RUSS ROURKE EDWARD SCHMULTS MIKE DUVAL

PHILIP W. BUCHEN

FROM:

Word has come from the Capitol Hill Club that a reception is planned in honor of the Attorney General this evening (Tuesday, April 13) from 6:00 to 8:00 p.m. The address is as follows:

The Capitol Hill Club 300 First Street, S. E. Washington, D. C.

Tickets are \$12.00 per person and there will be an open bar. The reception will take place in the lounge. There will be members of Congress attending, but because of the impending adjournment, the attendance may be slight.

I have been requested to ask as many lawyers from the White House to attend as possible. I realize this is very short notice, but if you can oblige, please call Mr. Corki (Capitol Hill Club) at 484-4590 for reservations.