

Memorandum of Agreement

This Memorandum of Agreement ("MOA") is entered into as of this 24 day of April, 1998 by and between the BOSTON HOUSING AUTHORITY, a public body politic and corporate organized and existing under Chapter 121B of the General Laws of the Commonwealth of Massachusetts ("Chapter 121B") and Chapter 88 of the Acts of 1989 (the "BHA"), with its principal place of business at 52 Chauncy Street, Boston, Massachusetts and the CITY OF BOSTON, a municipal corporation duly existing under the laws of the Commonwealth of Massachusetts (the "City"), with offices located at City Hall in Boston, Massachusetts.

WHEREAS, the BHA owns and operates certain public housing developments in Boston, Massachusetts (the "Developments"); and

WHEREAS, the BHA receives financial assistance from the U.S. Department of Housing and Urban Development ("HUD") for operating certain of the Developments (the "Federal Developments"); and

WHEREAS, pursuant to the United States Housing Act of 1937, as amended and Section 16 of Chapter 121B ("Section 16"), the Developments are exempt from taxation and from betterments and special assessments; and

WHEREAS, Section 16 provides for the payment in lieu of taxes, betterments and special assessments on the Developments ("PILOT") by the BHA to the City; and

WHEREAS, in accordance with Section 5(e)(2) of the United States Housing Act of 1937, as amended and with the BHA's Annual Contributions Contract with HUD (the "ACC"), the BHA and the City have entered into two Cooperation Agreements, the first under date of October 25, 1938, as amended by agreement of the parties on December 11, 1939 and February 25, 1941 (the "First CA") and the second under date of March 9, 1950, as amended by agreement of the parties on October 3, 1958 (the "Second CA"), each such agreement providing for, among other things, PILOT payments by the BHA to the City for certain of the BHA's Federal Developments and the provision by the City to the BHA of certain municipal services for such developments (the "City Services"); and

WHEREAS, the First CA provides for annual PILOT payments of 4.75% of shelter rent (as defined therein) collected with respect to certain of the Federal Developments; and

WHEREAS, the Second CA provides for annual PILOT payments of 10% of aggregate shelter rent (as defined therein) or for the amount permitted to be paid under state law in effect on the execution date of the Second CA with respect to certain other of the Federal Developments; and

WHEREAS, PILOT payments for the Federal Developments have for the BHA's fiscal years 1986 through 1997 been calculated as 10% of shelter rent collected; and

WHEREAS, the BHA has, for its fiscal years 1994, 1995, 1996 and 1997, made PILOT payments to the City based upon such calculations; and

WHEREAS, the BHA is deemed in accordance with such calculations to owe to the City for its fiscal years 1986 through 1993 a total of Three Million Four Hundred Seventy Three Thousand Five Hundred Thirty Three and 00/100 Dollars (\$3,473,533.00) PILOT (the "PILOT Arrearages"); and

WHEREAS, the parties have agreed that the BHA shall pay to the City and the City shall accept as payment in full of the PILOT Arrearages those certain amounts set forth herein; and

WHEREAS, in accordance with Section 16 and with the ACC, the City and the BHA may agree upon PILOT payments (so long as such payments do not exceed the amounts provided for in the Cooperation Agreements); and

WHEREAS, the City and the BHA desire to agree upon payment of the PILOT Arrearages in accordance with the plan set forth herein; and

WHEREAS, such payments to the City do not, taken together with amounts paid to the City to date for the BHA's fiscal years 1994 through 1997, exceed PILOT payments actually due in accordance with the formulas set out in the First CA and the Second CA;

NOW THEREFORE, the BHA and the City hereto agree as follows:

1. The BHA will pay to the City and the City will accept as payment in full of the PILOT Arrearages Six Hundred Fifty Three Thousand Seven Hundred Twenty and 00/100 Dollars (\$653,720.00), such sum to be paid in equal quarterly payments of Thirty Two Thousand Six Hundred Eighty Six and 00/100 Dollars (\$32,686.00), commencing on the date of execution of this MOA and continuing thereafter on July 15, October 15, January 15 and April 15 of each year until paid in full. Commencing on January 15, 1999 and annually thereafter, the City will write down the BHA's obligation on account of the PILOT Arrearages in the amount of Six Hundred Ninety Four Thousand Seven Hundred Seven and 00/100 Dollars (\$694,707.00) until such time as the PILOT Arrearages are reduced to zero. Such quarterly payments and annual write-down shall be made in accordance with the schedule set out in Exhibit A, entitled "BHA PILOT Payments and Reduction of PILOT Arrearages for BHA Fiscal Years 1986 through 1993", attached hereto and incorporated herein (the "Payment/Write-Down Schedule"). Notwithstanding the foregoing, it is understood that the City's acceptance of such amount as payment in full of the PILOT Arrearages and its write-down of the BHA's obligations on account of the PILOT Arrearages is conditioned upon the timely payment by the BHA of those amounts at those times set forth in the Payment/Write-Down Schedule, including any and all payments made in accordance with this paragraph 1 and with paragraph 2 hereof.

2. Commencing with BHA Fiscal Year 1998 and continuing until such time as the PILOT Arrearages are reduced to zero, the BHA will make annual PILOT payments to the City either in accordance with the formulas set forth in the First CA and the Second CA, or in the amount of Two Hundred Thousand and 00/100 Dollars (\$200,000.00), whichever is lesser and the City will provide to the BHA the City Services. At such time as the PILOT Arrearages are reduced to zero, the BHA will make annual PILOT payments to the City in accordance with the formulas set forth in the First CA and the Second CA and the City will provide to the BHA the City Services. Any such annual PILOT payment shall be made in equal quarterly installments on or before April 15, July 15, October 15 and January 15 in every year, provided that, if the annual PILOT payment for any year has not been ascertained as of the date that any quarterly payment for that year becomes due, then the BHA shall pay to the City an amount equal to one-fourth of the annual PILOT Payment for the preceding year until such time as the annual PILOT payment for that year has been ascertained and thereafter the amount already paid for that year shall be deducted from the amount due for that year and the amount remaining due divided by the number of payments remaining and each remaining quarterly payment for that year shall be in that amount.
3. The City agrees to notify the BHA no less than forty-five (45) calendar days in advance of the date any quarterly payment is due under paragraphs 1 and 2 hereof and no such payment shall be deemed late if the City has not notified the BHA in accordance herewith.
4. Nothing in this MOA shall be interpreted to permit or give any individual, firm, corporation, governmental agency or other entity, other than the signatories hereto, any right, remedy or claim with respect to this MOA or any provision hereof.
5. Changes or modifications to any provision or term of this MOA shall be made only by written amendment executed by both parties hereto.
6. The parties represent and warrant that they have the authority to enter into this MOA and to undertake the obligations set forth herein and that the person executing this MOA for each is duly authorized to do so.
7. The parties intend the agreements set forth herein to be binding on the parties, subject only to further understandings consistent with the terms hereof.
8. The parties agree to negotiate in good faith with respect to PILOT payments and City Services for the BHA's fiscal year 1999 and thereafter, in order to insure that the parties are in compliance with the provisions of the First CA and the Second CA and to consolidate and modify the terms thereof to achieve the mutual goals of the parties and to obtain HUD consent thereto.

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9. In addition to any other conditions for performance contained herein, the parties agree that their mutual performance hereunder is expressly subject to HUD approval.
10. This MOA represents the final, complete and exclusive written expression of the intentions of the parties hereto and supersedes any and all previous communications, representations, agreements, promises or statements, either oral or written, by or between the parties, with respect to the matters set forth herein.
11. This MOA shall be construed in accordance with the internal law of the Commonwealth of Massachusetts.
12. This MOA may not be modified, except by written agreement executed by both the parties.
13. Any notice required or desired to be given pursuant to this MOA shall be in writing and shall be deemed given (a) three (3) days after being deposited, postage prepaid, in the United States Mail, (b) when delivered to a nationally recognized overnight courier service, service prepaid, which requires written acknowledgment of receipt, or (c) when delivered personally, in each case, to the parties at the addresses set forth below, or to such other addresses as either may from time to time advise the other in writing:

For the BHA: Charles Kilroy
Director of Finance and Accounts
Boston Housing Authority
52 Chauncy Street - 7th Floor
Boston, MA 02111

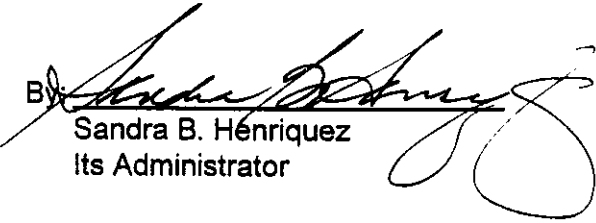
With a copy to: Hollis Young
General Counsel
Boston Housing Authority
52 Chauncy Street - 10th Floor
Boston, MA 02111

For the AD: Ronald W. Rakow
Commissioner of Assessing
Boston City Hall, Room 301
Boston, MA 02201

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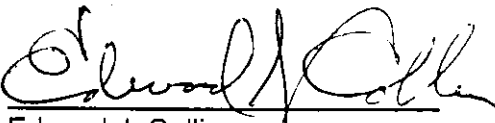
IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and date first above written.

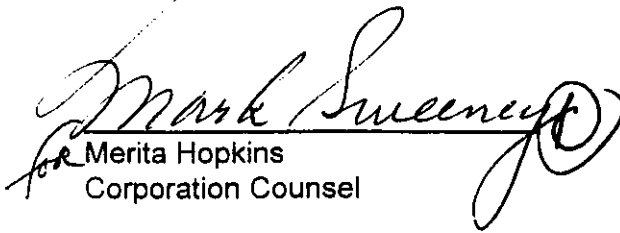
BOSTON HOUSING AUTHORITY

By: 
Sandra B. Henriquez
Its Administrator

CITY OF BOSTON

Approved as to form only:

By: 
Edward J. Collins
Its Chief Financial Officer


for Merita Hopkins
Corporation Counsel


By: 
Ronald W. Rakow
Commissioner of Assessing

Exhibit A

BHA PILOT Payments and
Reduction of PILOT Arrearages
for BHA Fiscal Years 1986 through 1993

BHA Fiscal Year	Begin Fiscal Year Federal PILOT Liability	Annual Federal Pilot PILOT Payment	Federal Pilot Writedown	End Fiscal Year Federal PILOT Liability
1999	\$3,473,533	\$130,744	\$694,707	\$2,778,826
2000	2,778,826	130,744	694,707	\$2,084,120
2001	2,084,120	130,744	694,707	\$1,389,413
2002	1,389,413	130,744	694,707	\$694,707
2003	694,707	130,744	694,707	\$0

Memorandum of Agreement

This Memorandum of Agreement ("MOA") is entered into as of this 30th day of April, 1998 by and between the BOSTON HOUSING AUTHORITY, a public body politic and corporate organized and existing under Chapter 121B of the General Laws of the Commonwealth of Massachusetts ("Chapter 121B") and Chapter 88 of the Acts of 1989 (the "BHA"), with its principal place of business at 52 Chauncy Street, Boston, Massachusetts and the CITY OF BOSTON, a municipal corporation duly existing under the laws of the Commonwealth of Massachusetts (the "City"), with offices located at City Hall in Boston, Massachusetts.

WHEREAS, the BHA owns and operates certain public housing developments in Boston, Massachusetts (the "Developments"); and

WHEREAS, the BHA receives financial assistance from the Massachusetts Department of Housing and Community Development ("DHCD") for operating certain of the Developments (the "State Developments"); and

WHEREAS, pursuant to Section 16 of Chapter 121B ("Section 16"), the Developments are exempt from taxation and from betterments and special assessments; and

WHEREAS, Section 16 provides for the payment in lieu of taxes, betterments and special assessments on the Developments ("PILOT") by the BHA to the City; and

WHEREAS, the BHA is required pursuant to Section 16 to make PILOT payments to the City for its State Developments and the City is required to provide certain services to the BHA for such developments (the "City Services"); and

WHEREAS, the BHA owes to the City for certain years preceding the date of this MOA PILOT payments (the "PILOT Arrearages"); and

WHEREAS, the BHA is deemed in accordance with such calculations to owe to the City for its fiscal years 1991 through 1996 a total of Four Hundred Thousand Five Hundred Seventy Eight and 00/100 Dollars (\$400,578.00) PILOT (the "PILOT Arrearages"); and

WHEREAS, the parties have agreed that the BHA shall pay to the City and the City shall accept as payment in full of the PILOT Arrearages those certain amounts set forth herein; and

WHEREAS, in accordance with Section 16 the City and the BHA may agree upon PILOT payments); and

WHEREAS, the City and the BHA desire to agree upon payment of the PILOT Arrearages in accordance with the plan set forth herein; and

NOW THEREFORE, the BHA and the City hereto agree as follows:

1. The BHA will pay to the City and the City will accept as payment in full of the PILOT Arrearages Three Hundred Ninety Seven Thousand Seven Hundred Sixteen and 00/100 Dollars (\$397,716.00), such sum to be paid in equal quarterly payments of Thirty Three Thousand One Hundred Forty Three and 00/100 Dollars (\$33,143.00), commencing on the date of execution of this MOA and continuing thereafter on July 15, October 15, January 15 and April 15 of each year until paid in full. Commencing on January 15, 1999 and annually thereafter, the City will write down the BHA's obligation on account of the PILOT Arrearages in the amount of One Hundred Thirty Three Thousand Five Hundred Twenty Six and 00/100 Dollars (\$133,526.00) until such time as the PILOT Arrearages are reduced to zero. Such quarterly payments and annual write-down shall be made in accordance with the schedule set out in Exhibit A, entitled "BHA PILOT Payments and Reduction of PILOT Arrearages for BHA Fiscal Years 1986 through 1993", attached hereto and incorporated herein (the "Payment/Write-Down Schedule"). Notwithstanding the foregoing, it is understood that the City's acceptance of such amount as payment in full of the PILOT Arrearages and its write-down of the BHA's obligations on account of the PILOT Arrearages is conditioned upon the timely payment by the BHA of those amounts at those times set forth in the Payment/Write-Down Schedule, including any and all payments made in accordance with this paragraph 1 and with paragraph 2 hereof.
2. Within thirty (30) days after the execution of this MOA the BHA will pay to the City and the City will accept as payment in full of the BHA's Fiscal Year 1998 annual PILOT a single lump sum payment of Sixty Six Thousand Seven Hundred Sixty Three and 00/100 Dollars (\$66,763.00). Commencing with BHA Fiscal Year 1999, the BHA will make annual PILOT payments to the City in accordance with Section 16 and the City will provide to the BHA the City Services, provided that in no event shall the BHA be required to pay to the City in any year any amount exceeding those amounts paid by DHCD to the BHA for its annual PILOT payment in that year. At the time of execution of this MOA the BHA's annual DHCD-funded PILOT is Sixty Six Thousand Seven Hundred Sixty Three and 00/100 Dollars (\$66,763.00). Except for the single lump sum payment for the BHA's Fiscal Year 1998, any such annual PILOT payment shall be made in equal quarterly installments on or before April 15, July 15, October 15 and January 15 in every year, provided that, if the annual PILOT payment for any year has not been ascertained as of the date that any quarterly payment for that year becomes due, then the BHA shall pay to the City an amount equal to one-fourth of the annual PILOT Payment for the preceding year until such time as the annual PILOT payment for that year has been ascertained and thereafter the amount already paid for that year shall be deducted from the amount due for that year and the amount remaining due divided by the number of payments remaining and each remaining quarterly payment for that year shall be in that amount.
3. The City agrees to notify the BHA no less than forty-five (45) calendar days in advance of the date any quarterly payment is due under paragraphs 1 and 2 hereof and no such payment shall be deemed late if the City has not notified the BHA in accordance herewith.
4. Nothing in this MOA shall be interpreted to permit or give any individual, firm, corporation, governmental agency or other entity, other than the signatories hereto, any right, remedy or claim with respect to this MOA or any provision hereof.

5. Changes or modifications to any provision or term of this MOA shall be made only by written amendment executed by both parties hereto.
6. The parties represent and warrant that they have the authority to enter into this MOA and to undertake the obligations set forth herein and that the person executing this MOA for each is duly authorized to do so.
7. The parties intend the agreements set forth herein to be binding on the parties, subject only to further understandings consistent with the terms hereof.
8. The parties agree to negotiate in good faith with respect to PILOT payments and City Services for the BHA's fiscal year 1999 and thereafter, in order to insure that the parties are in compliance with the provisions of the First CA and the Second CA and to consolidate and modify the terms thereof to achieve the mutual goals of the parties and to obtain HUD consent thereto.
9. In addition to any other conditions for performance contained herein, the parties agree that their mutual performance hereunder is expressly subject to HUD approval.
10. This MOA represents the final, complete and exclusive written expression of the intentions of the parties hereto and supersedes any and all previous communications, representations, agreements, promises or statements, either oral or written, by or between the parties, with respect to the matters set forth herein.
11. This MOA shall be construed in accordance with the internal law of the Commonwealth of Massachusetts.
12. This MOA may not be modified, except by written agreement executed by both the parties.
13. Any notice required or desired to be given pursuant to this MOA shall be in writing and shall be deemed given (a) three (3) days after being deposited, postage prepaid, in the United States Mail, (b) when delivered to a nationally recognized overnight courier service, service prepaid, which requires written acknowledgment of receipt, or (c) when delivered personally, in each case, to the parties at the addresses set forth below, or to such other addresses as either may from time to time advise the other in writing:

For the BHA: Charles Kilroy, Director of Finance and Accounts
Boston Housing Authority
52 Chauncy Street - 7th Floor
Boston, MA 02111

With a copy to: Hollis Young, General Counsel
Boston Housing Authority
52 Chauncy Street - 10th Floor
Boston, MA 02111

For the AD:

Ronald W. Rakow
Commissioner of Assessing
Boston City Hall, Room 301
Boston, MA 02201

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and date first above written.

BOSTON HOUSING AUTHORITY

By: 

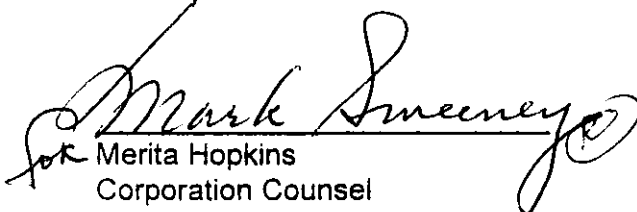
Sandra B. Henriquez
Its Administrator

CITY OF BOSTON

Approved as to form only:

By: 

Edward J. Collins
Its Chief Financial Officer


for Merita Hopkins
Corporation Counsel

By: 

Ronald W. Rakow
Commissioner of Assessing

Exhibit A

BHA PILOT Payments and
Reduction of PILOT Arrearages
for BHA Fiscal Years 1986 through 1993

Fiscal Year	Begin Fiscal Year State PILOT Liability	Annual State PILOT Payment	State Pilot Writedown	End Fiscal Year State PILOT Liability
1999	\$400,578	\$132,572	\$133,526	\$267,052
2000	267,052	132,572	133,526	\$133,526
2001	133,526	132,572	133,526	\$0