

CITY OF BOSTON
ASSESSING DEPT
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**CONTRACT FOR PAYMENT IN LIEU OF TAXES
ENTERED INTO BY AND AMONG THE CITY OF BOSTON,
BOSTON HOUSING AUTHORITY, BUNKER HILL REVITALIZATION
CORPORATION AND BUILDING F OWNER LLC**

This Contract for a Payment in Lieu of Taxes Agreement (this “PILOT Agreement” or this “Agreement”) is executed and made effective as of March 24, 2026 (the “Effective Date”), by and among the **CITY OF BOSTON**, acting by and through its Assessing Department, (the “City”), the **BOSTON HOUSING AUTHORITY**, a body politic and corporate created pursuant to Chapter 121B of the Massachusetts General Laws and Chapter 88 of the Acts of 1989, as amended, (the “BHA”), **BUNKER HILL REVITALIZATION CORPORATION** (“BHRC” or “Tenant”), a Massachusetts nonprofit corporation, and **BUILDING F OWNER LLC**, a Delaware limited liability company (the “Future Tenant”).

RECITALS

WHEREAS, Bunker Hill Building F and associated improvements (the “Project”) is a mixed-income housing redevelopment project involving the construction of a 266-unit mixed market rate and affordable apartment building at 30 Samuel Morse Way in the Charlestown neighborhood of Boston, Massachusetts, located on the land labeled as “Lot F,” an approximately 47,474 square foot parcel, and “Building F Surface Parking Lot,” an approximately 8,066 square foot parcel, on the “Subdivision Plan of Land, Lot F” dated June 6, 2025 prepared by Nitsch Engineering, and recorded at the Suffolk County Registry of Deeds as Plan 405 of 2025 (the “Project Site”), which Project Site is owned by the BHA and is currently tax exempt under M.G.L. Chapter 121B, Section 16;

WHEREAS, the Project is part of Phase 1 of a Proposed Master Project, consisting of the phased demolition of the existing BHA Bunker Hill Public Housing development and the construction of a multi-phase, mixed-use development comprised of up to fifteen (15) new residential buildings which will include up to 2,699 residential units;

WHEREAS, the BHA has entered, or will enter, into a ground lease with BHRC dated on or about the date hereof (the “Ground Lease”) for a period of 99 years for the Project Site for the purpose of enabling BHRC and the Future Tenant, as applicable, to construct and operate the Project as a mixed-income housing development containing deeply-affordable replacement units for the current public housing units;

WHEREAS, during construction of the Project, BHRC shall be the Tenant under the Ground Lease;

WHEREAS, following substantial completion of the Project, BHRC shall assign its interest as Tenant under the Ground Lease to the Future Tenant;

WHEREAS, BHRC is an integral part of its sole member, the BHA;

WHEREAS, Future Tenant is solely owned by BH Building F JV LLC; BHRC is the majority owner of BH Building F JV LLC, a Delaware limited liability company, which is a joint venture with an affiliate of the designated developer;

WHEREAS, the Project will therefore represent the first instance of majority public ownership of a mixed-income multifamily building in Boston;

WHEREAS, the City has capitalized a revolving Housing Accelerator Fund, administered through the BHA as a housing authority under M.G.L. Chapter 121B, to further the development of mixed-income housing to address the ongoing housing shortage in the City of Boston and the challenges of financing new construction in the current commercial real estate market, including the development of mixed-income housing to include moderate-income and affordable housing on land owned by the BHA;

WHEREAS, the BHA's development of Bunker Hill Building F through the activities of BHRC, and its majority public ownership thereof through Building F Owner LLC, is made possible by a significant investment of public dollars via the Housing Accelerator Fund;

WHEREAS, M.G.L. c. 121B, § 16 provides that nothing in M.G.L. c. 121B or M.G.L. c. 59 "shall be construed to require a city or town to impose a tax on the leasehold of real estate owned by [the BHA] and leased by it" beyond the amount agreed to in a PILOT agreement;

WHEREAS, during the Term (as hereinafter defined), the Project and Project Site will be exempt under M.G.L. c. 121B, § 16 from taxation under the provisions of M.G.L. c. 59;

WHEREAS, in lieu of taxation under M.G.L. c. 59 and in accordance with the terms set forth herein, including the satisfaction of certain obligations of BHRC and Future Tenant as set forth herein, BHRC and Future Tenant (or their successors or assigns) shall make PILOT Payments (as hereinafter defined) as set forth in further detail herein;

NOW THEREFORE, in consideration of the foregoing and the covenants and agreements set forth herein, the City, the BHA, BHRC, and Future Tenant agree as follows:

1. Payment In Lieu of Taxes:

a. Notwithstanding the provisions of M.G.L. c. 59, during the Term, as defined in this PILOT Agreement, in lieu of real estate taxes with respect to the Project and Project Site and all current and future improvements thereon, which would otherwise be assessed and payable under M.G.L. c. 59, the Tenant shall make PILOT Payments, as set forth below, pursuant to the provisions of M.G.L. c. 121B, § 16 and the terms and conditions of this Agreement.

b. **PILOT Payments:** For the remainder of Fiscal Year 2026, from the Effective Date until June 30, 2026, there shall be no payments due under this Agreement. Thereafter, the "PILOT Payment" for any given Fiscal Year (as hereinafter defined) shall be determined by calculating the amount of taxes that would otherwise be owed on the Project and Project Site if the real property were subject to taxation under M.G.L. c. 59 and then subtracting the discount percentage indicated on Exhibit A for that respective Fiscal Year.

c. In any Fiscal Year where the PILOT Payment is greater than zero dollars (\$0.00), an installment of the PILOT Payment shall be made by BHRC or Future Tenant, as the case may be, on each of November 1st and May 1st (the "Payment Dates") of each Fiscal Year during the Term. The first installment shall be an estimate based on fifty percent (50%) of the prior year's

PILOT Payment. The second installment shall be based on the PILOT Payment for the Fiscal Year adjusted by subtracting the first installment paid. Any over payment or under payment due in any Fiscal Year shall be adjusted in the first installment of the following Fiscal Year.

d. PILOT Payments shall be made directly to the City's Collector-Treasurer.

e. The failure of BHRC, or Future Tenant once assigned the interest as tenant under the Ground Lease, to pay in full each PILOT Payment on or before the Payment Date shall result in BHRC, or Future Tenant once assigned the interest as tenant under the Ground Lease, being liable for interest, fines, penalties and related costs, including legal costs and disbursements, in accordance with M.G.L. c. 60, as amended from time to time.

f. All benefits and obligations under this PILOT Agreement shall transfer from the Tenant to Future Tenant upon BHRC's assignment of its interest in the Ground Lease to Future Tenant and thereafter to any subsequent transferee or assignee in accordance with Section 9 of this PILOT Agreement.

2. **Term:** This PILOT Agreement shall be for a term (the "Term") commencing on the Effective Date and shall remain in effect, until June 30, 2066, the "Expiration Date", unless sooner terminated as provided in this PILOT Agreement. At the expiration of the Term, the Project and Project Site will be subject to taxation as permitted in accordance with Massachusetts General Laws.

3. **Amendments/Modifications:** The BHA, BHRC, the Future Tenant, and the City agree that any amendment subsequent to the mutual execution and delivery of this PILOT Agreement that affects any term or conditions of this PILOT Agreement shall have no effect unless it is in writing and signed by duly authorized representatives of all parties hereto.

4. **Default by Tenant or Future Tenant:**

a. **Default by Non-Compliance with Building Program Requirements:** This Agreement is conditioned on the Project adhering to the following requirements (the "Building Program"). If Tenant defaults in its obligation to adhere to the requirements of the Building Program as required by this PILOT Agreement, the City shall have the right to terminate this PILOT Agreement upon thirty (30) days' notice to the BHA and Tenant, and upon the failure of the BHA or Tenant to have cured or commenced and diligently prosecuted such cure within such thirty (30) day period. The Tenant shall comply with the following provisions or such non-compliance shall result in default under this Agreement:

i. According to the Board Approval (Document No. 7914) issued by Boston Redevelopment Authority ("BRA") d/b/a Boston Planning & Development Agency ("BPDA"), the Project, as part of Phase 1 of the Proposed Master Project is subject to the Inclusionary Development Policy dated December 10, 2015 ("IDP"). In satisfaction of the IDP and as a condition of the Proposed Master Plan approvals and this Agreement, at least twenty two percent (22%) of all the residential units in the Project must be income-restricted.

ii. Tenant must comply with all requirements as determined through proper review with the City's Inspectional Services Department ("ISD") and with all project Mitigation

and Community benefits applicable to Bunker Hill Building F, as further defined in the Board Approval (Document No. 7914).

b. Deviation from Project Uses: After construction is completed, the Project shall be maintained as a multi-family residential rental project during the Term. Tenant or Future Tenant may create a leasehold condominium consisting of two or more leasehold condominium units, which may consist of a single condominium unit for all of the affordable rental units and a single condominium unit for all of the mixed-income rental units. However, this Agreement may not be transferred or assigned to individual residential unit property owners in a condominium regime following conversion of individual rental units to individual residential condominium units, a Homeowner's Association for the benefit of such individual condominium units, or similar structure. Deviation from a multi-family residential rental project, a change to the number of units, mix of units, including any reduction in the number of affordable units, without the prior written approval of the City, shall constitute a default by Tenant or Future Tenant once assigned the interest as tenant under the Ground Lease .

c. Failure to Pay: Failure to make a PILOT Payment as required by this PILOT Agreement shall constitute a default.

d. Notice of Default and Opportunity to Cure: If Tenant, or Future Tenant once assigned the interest as tenant under the Ground Lease, defaults in its obligation under this PILOT Agreement, the City shall have the right to terminate this PILOT Agreement upon thirty (30) days' notice of such default to the BHA and to Tenant and Future Tenant. The BHA, Tenant, or Future Tenant shall have the opportunity to cure the default within thirty (30) days of receipt of notice of such default, or in good faith commence to cure within such thirty (30) day period and diligently prosecute the cure and show substantial progress. If the BHA, Tenant, or Future Tenant once assigned the interest as tenant under the Ground Lease, fails to have cured or to have commenced and diligently prosecuted to cure such default within such thirty (30) day cure period, this Agreement shall terminate.

5. Effect of Default: In the event the City exercises the right to terminate this PILOT Agreement following any applicable notice and cure period, then, from and after such termination, the Project and Project Site shall be assessed pursuant to M.G.L. c. 59, and Tenant, or Future Tenant once assigned the interest as tenant under the Ground Lease, shall be liable for taxes that accrued or would have accrued from and after such default but for the existence of this PILOT Agreement.

6. Termination: Failure to Commence/Diligently Pursue Construction: The Project shall receive a Partial Certificate of Compliance from the BRA certifying partial compliance with Article 80 of the Boston Zoning Code, receive a building permit from the City of Boston's Inspectional Services Department ("ISD"), and Tenant shall commence construction on the Project Site no later than June 30, 2026. Upon commencement of construction and subject to delays due to Force Majeure Events, as defined in Section 13 of this Agreement, Tenant shall diligently and continuously prosecute construction to completion of the Project and shall obtain a Certificate of Occupancy from ISD (the "Certificate of Occupancy") no later than Thirty (30) Months from the date a building permit was issued by ISD for the Project. If, at any point prior to issuance of the Certificate of Occupancy, Tenant is found, in the reasonable discretion of the City, to not be diligently pursuing construction, subject to delays due to Force Majeure Events, then the City may

terminate this Agreement pursuant to the terms of this Section. Should Tenant not obtain a building permit and commence construction, prior to June 30, 2026, subject to delays due to Force Majeure Events, the City may terminate this Agreement.

Upon termination of this Agreement pursuant to this Section 6, (i) Tenant shall owe to the City the total property taxes that would have been assessed under M.G.L. c. 59 against the Project and Project Site, had this PILOT Agreement not been in full force and effect and (ii) the Project and Project Site will be fully assessed and taxable to Tenant in accordance with M.G.L. c. 59.

7. Gap Payment: Tenant and Future Tenant agree that upon the termination of this PILOT Agreement, Tenant or Future Tenant, as the case may be, shall pay, or cause to be paid, a gap payment (“Gap Payment”) to cover the time period between the termination date and the date on which the Project and Project Site becomes taxable pursuant to M.G.L. c. 59 (the “Gap Period”). The Gap Payment shall be equal to the M.G.L. c. 59 property taxes, which would otherwise be due to the City during the Gap Period had this PILOT Agreement never been in force and effect. The Gap Payment shall be paid within six (6) months following the month in which this PILOT Agreement terminates. The provisions of this Section 7 shall survive the termination of this PILOT Agreement.

8. Notice: Any notice or other communication required or permitted under this PILOT Agreement shall be in writing and shall be deemed given when sent, if (i) delivered by hand, (ii) sent by registered or certified mail, return receipt requested, or (iii) sent by a recognized overnight delivery service, addressed as follows:

If to the City:

City of Boston Assessing Department
City Hall, Room 301
Boston, MA 02201-1007
Attention: Commissioner of Assessing

with a copy to

City of Boston Office of Corporation Counsel
City Hall, Room 615
Boston, MA 02201-1007
Attention: Corporation Counsel

If to Future Tenant:

Building F Owner LLC
c/o Leggat McCall Properties LLC
10 Post Office Square, 13th Floor
Boston, MA 02109
Attention: Adelaide Grady

with a copy to:

Nixon Peabody LLP
Exchange Place, 53 State Street
Boston, MA 02109

Attention: Karla L. Chaffee

If to BHA or BHRC

Boston Housing Authority
52 Chauncy Street
Boston, MA 02111
Attention: Administrator

with a copy to:

Boston Housing Authority
52 Chauncy Street
Boston, MA 02111
Attention: General Counsel

or to such other address as the addressee shall have indicated by prior notice to the other parties. Notice under this PILOT Agreement may be waived in writing prospectively or retroactively by the person entitled to the notice. Notice from counsel to a party shall be effective notice.

9. Successors/Assigns:

a. Assignment. This PILOT Agreement may be assigned or transferred during the Term of this PILOT Agreement, provided that (i) the assignment or transfer complies with the assignment and transfer provisions of the Ground Lease and (ii) Tenant or Future Tenant or the assignee or transferee provides written notice of such assignment or transfer to the BHA and to the City in accordance with the terms of Section 8.

b. Benefits and Burdens. Tenant's or Future Tenant's successors or assigns shall be subject to the burdens and receive the benefits of M.G.L. c. 121B, § 16 and this PILOT Agreement. The successors or assigns shall derive the benefits only for the remainder of the Term of this PILOT Agreement.

10. Counterparts: This PILOT Agreement may be executed in multiple counterparts, each of which when so executed and delivered shall be deemed an original, but such counterparts shall together constitute but one and the same instrument.

11. Governing Law: This PILOT Agreement shall be governed by the laws of the Commonwealth of Massachusetts and any suit, claim or action shall be brought in Suffolk County.

12. Severability: If any provision of this PILOT Agreement or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this PILOT Agreement and the application of such provisions to other persons and circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law. The City reserves the right to assess Tenant's or Future Tenant's interest in real property pursuant to M.G.L. c. 59, as amended, if the provision held to be invalid or unenforceable relates to a PILOT Payment, and Tenant or Future Tenant shall retain the ability to contest the taxes as so assessed pursuant to the

terms of M.G.L. c. 59, as amended, and in the event of such invalidity or unenforceability, Tenant or Future Tenant may terminate this Agreement by written notice thereof to the City.

13. Definitions: Terms defined elsewhere in this PILOT Agreement shall have the meanings ascribed to them. In addition, the terms defined below shall have the meaning ascribed to them wherever such terms shall appear in this PILOT Agreement, unless the context requires otherwise.

a. Fiscal Year: shall mean the twelve (12) month period from July 1 to June 30.

b. Force Majeure Event: shall mean:

i. A delay which results from any of (a) the City's failure to perform its obligations under this PILOT Agreement, or the negligence or willful misconduct of the City or of its employees, agents, or others for whom the City of Boston is legally responsible; (b) acts of God, fire or other casualty, war, terrorist acts, public disturbance and/or strikes or other labor disturbances not attributable to the failure of Tenant or Future Tenant to perform its obligations under any applicable labor contract or law and directly and adversely affecting Tenant or Future Tenant, unusual or extraordinary weather events, general unavailability of labor or materials affecting the construction industry in the greater Boston area; or (c) other causes beyond Tenant's or Future Tenant's reasonable control including, without limitation, epidemics, pandemics and pandemic-related or other public health emergency or governmental regulations relating to same, such as government-ordered shutdowns, distancing requirements, and supply-chain disruptions which prevent or materially adversely affect the ability to perform in a timely manner. The following shall, in no event, be deemed to be Force Majeure Events: inability to obtain financing; Tenant's or Future Tenant's financial condition; inability to obtain Approvals; delays due to soil conditions which are known or foreseeable with the exercise of reasonable diligence; or delays of, or changes in, or cancellation of construction of roadways, transportation infrastructure and related improvements. Tenant and the Future Tenant agree to use commercially reasonable efforts to minimize the delay and other adverse effects of any Force Majeure Event.

ii. Notice of Force Majeure Event. Tenant or Future Tenant shall provide prompt written notice in accordance with the notice provisions of this PILOT Agreement of any Force Majeure Event causing delay after Tenant or Future Tenant first becomes aware of such condition or event. Tenant or Future Tenant shall keep the City reasonably informed of any development pertaining to such Force Majeure Event.

14. Headings: The headings and captions of the paragraphs and sections of this PILOT Agreement are not to be considered a part of it and shall not be used to interpret, define, or limit the provisions hereof.

(Remainder of Page Intentionally Blank)

IN WITNESS WHEREOF, the CITY OF BOSTON has caused these presents to be signed in its name and on behalf by Michelle Wu, Mayor, and Nicholas Ariniello, Commissioner of Assessing, the BOSTON HOUSING AUTHORITY has caused these presents to be signed in its name and behalf by Priscilla MacKenzie Bok, its Administrator, the BUNKER HILL REVITALIZATION CORPORATION has caused these presents to be signed in its name and behalf by Priscilla MacKenzie Bok, its President, and BUILDING F OWNER LLC, has caused these presents to be signed in its name and behalf by BH Building F GP LLC, as managing member of BH Building F JV LLC, as sole member of Building F Owner LLC.

CITY OF BOSTON



Michelle Wu, Mayor

CITY DEPARTMENT OF ASSESSING



Nicholas Ariniello,
Commissioner of Assessing

Approved as to form



By: MICHAEL FIRESTONE
Title: CORPORATION COUNSEL

JB 3/19/26

BOSTON HOUSING AUTHORITY



By: Priscilla MacKenzie Bok
Title: Administrator

BUNKER HILL REVITALIZATION
CORPORATION

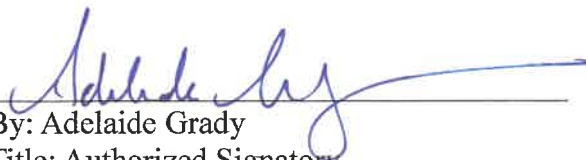


By: Priscilla MacKenzie Bok
Title: President

BUILDING F OWNER LLC

BY: BH Building F JV LLC, its sole member

BY: BH Building F GP LLC, its managing
member



By: Adelaide Grady
Title: Authorized Signatory

EXHIBIT A

**Schedule of Payments
Applicable Reduction Amount**

Year # : City of Boston Fiscal Year (July 1 - June 30)**Discount Percentage**

Year 1 :	FY27	(July 1 2026 – June 30 2027)	100%
Year 2 :	FY28		100%
Year 3 :	FY29		100%
Year 4 :	FY30		100%
Year 5 :	FY31		100%
Year 6 :	FY32		100%
Year 7 :	FY33		100%
Year 8 :	FY34		100%
Year 9 :	FY35		100%
Year 10:	FY36		100%
Year 11:	FY37		100%
Year 12:	FY38		100%
Year 13:	FY39		100%
Year 14:	FY40		100%
Year 15:	FY41		100%
Year 16:	FY42		100%
Year 17:	FY43		100%
Year 18:	FY44		100%
Year 19:	FY45		100%
Year 20:	FY46		100%
Year 21:	FY47		100%
Year 22:	FY48		100%
Year 23:	FY49		100%
Year 24:	FY50		100%
Year 25:	FY51		100%
Year 26:	FY52		75%
Year 27:	FY53		75%
Year 28:	FY54		75%
Year 29:	FY55		75%
Year 30:	FY56		75%
Year 31:	FY57		50%
Year 32:	FY58		50%
Year 33:	FY59		50%
Year 34:	FY60		50%
Year 35:	FY61		50%
Year 36:	FY62		25%
Year 37:	FY63		25%
Year 38:	FY64		25%
Year 39:	FY65		25%
Year 40:	FY66	(July 1 2065 – June 30, 2066)	25%

EXHIBIT B

**BHA-Owned Mixed-Income Housing Development
BHA Administrator's 121B Authorizing Memorandum**



Administration
52 Chauncy Street, 11th Floor
Boston, Massachusetts 02111

P 617.988.4130 F 617.988.4133
TTY 800.545.1833 x420
www.bostonhousing.org

BOSTON HOUSING AUTHORITY
ADMINISTRATOR'S MEMORANDUM

MARCH 23, 2026

MIXED-INCOME HOUSING PUBLIC PRODUCTION PROGRAM

SUMMARY OF EXECUTIVE ACTION:

Pursuant to Chapter 121B of the General Laws of the Commonwealth of Massachusetts ("M.G.L."), the Boston Housing Authority ("BHA") may participate in the development of low and moderate-income housing, including within a mixed-income housing development where at least 20 percent of the units are appropriately restricted as to affordability, and may hold interests in real property in order to carry out its purpose of increasing Boston's supply of low and moderate-income housing;

By this memorandum and under the authority of its Administrator, the BHA formally declares its policy of (a) producing mixed-income housing on public land, including under majority-public ownership, in order to pursue its purpose of increasing Boston's supply of low and moderate-income housing, pursuant to M.G.L. 121B §26, including by (b) holding a financial interest in real property, as authorized under M.G.L. 121B §11, and (c) negotiating and executing contracts for payment in lieu of taxes ("PILOT Agreement") with the City of Boston, acting through the City of Boston Assessing Department, using its authority under M.G.L. 121B §16, in relation to said mixed-income housing.

POLICY BACKGROUND AND HISTORY:

Much of Boston's public housing stock was constructed early in the history of the federal public housing program, beginning with the Old Harbor development (now called Mary Ellen McCormack) in South Boston in 1938, followed shortly thereafter by the Bunker Hill development in Charlestown, begun in 1939. These developments have since provided a home to many thousands of Bostonians over multiple generations, but unfortunately have seen extremely little federal investment since their construction. When Administrator Bill McGonagle was appointed in 2009, in the wake of the Great Recession, both 70-year-old developments had enormous capital backlogs and no prospect of the necessary funds coming from the federal government to make the needed improvements.

Administrator McGonagle therefore authorized the issuance of a Request for Proposals in 2015 to solicit a private developer partner to assist the BHA in redeveloping the Bunker Hill development, so as to replace the aging public housing units with modern deeply-affordable units serving the same extremely-low-income population, but intermingled with additional market housing units, to create a mixed-income community and to cross-subsidize the much-needed investment in new housing for the low-income households. This had the added benefit of increasing much-needed overall housing stock. In 2017, a similar Request for Proposals was issued for the Mary Ellen McCormack development. Developer partners were selected in both processes, and approvals subsequently obtained to increase the density at Bunker Hill from 1100 to 2699 housing units. At Mary Ellen McCormack, the density is proposed to increase from 1016 to 3300 housing units, and approvals for the first half of the site have also been secured.

Because the primary purpose of the BHA's efforts at these sites is to replace the deeply-affordable units serving existing families, each development plan began with a single all-affordable building of roughly a hundred units, to create an initial surplus of affordable units and enable a maximum number of one-way moves on the site. In each case, these buildings were financed using the traditional mechanisms of Low-Income Housing Tax Credits (LIHTC) and significant direct public subsidy. Under these development plans, Bunker Hill Building M opened in 2025, and Mary Ellen McCormack Building A will open in 2027. Both plans next call for the construction of a mixed-income building with a majority of market-priced units, but delivering a significant number of deeply-affordable units as well.

In the intervening years, however, the elevated cost inflation and high interest rates of the post-pandemic period have dramatically reduced private capital investment in developing new market-rate residential housing in Boston. Despite intense housing demand and an extremely low citywide vacancy rate, relative returns to capital are not sufficient to attract the private equity needed to drive the housing production plan for these sites.

This presents a dilemma for the BHA, whose residents continue to await new housing in obsolete units that are now 85 years old. In the case of the next planned building in Charlestown, Building F, the 266-unit building will supply 58 units of deeply-affordable replacement housing for 58 existing public housing resident families, without the use of scarce LIHTC resources. Absent the market-housing engine, the BHA cannot simply revert to a plan where it instead builds all-affordable replacement units on these sites using public subsidy and LIHTC; there is already a more than three-year backlog of LIHTC projects in Massachusetts, which the BHA's pipeline at Bunker Hill alone would utterly swamp, and fiscal pressures at the state and city make the provision of sufficient accompanying public subsidy impossible.

Frustrated by the stalled plan, members of the Charlestown Resident Alliance and BHA staff looked to the comparable example of Montgomery County, Maryland, where the

Housing Opportunities Commission (HOC) – a combined Public Housing Authority (PHA) and Housing Finance Agency (HFA) – has directly invested an equity stake in order to move forward stalled mixed-income housing production projects. As HOC has demonstrated, these projects are still profitable in this fiscal environment—just not sufficiently profitable to be attractive to private equity and real estate investment trusts. By putting in public equity, HOC has been able to drive the production of many hundreds of units, including a large number of inclusionary affordable units, while ultimately revolving returns from its investment back into its Housing Production Fund.

Over the course of 2024, the Boston City Council discussed this model in public hearings held by Councilor Henry Santana and Councilor Brian Worrell. On December 2, 2024, Mayor Michelle Wu filed a \$110 million appropriation order to create the Housing Accelerator Fund, to be held and administered by the BHA. At a hearing on January 14, 2025, members of the Charlestown Resident Alliance spoke passionately about the hope that the first investment by the Housing Accelerator Fund would be in Bunker Hill Building F, to allow that project to move forward and supply the included replacement housing for public housing families. On January 15, 2025, the Boston City Council voted unanimously to approve the appropriation. On June 27, 2025, the City of Boston and the BHA executed a Memorandum of Agreement, and the appropriation for the Housing Accelerator Fund was transferred to the BHA, which holds it in an interest-bearing account awaiting use.

Since then, the BHA has moved in partnership with its developer partners at Bunker Hill, Leggat McCall Properties and Joseph J. Corcoran Company, to reconfigure the Building F development to enable a public equity investment. This project will represent the first instance of the BHA's Mixed Income Housing Public Production Program (MIH-PPP).

MIXED-INCOME HOUSING PUBLIC PRODUCTION PROGRAM (MIH-PPP):

The MIH-PPP is a program whereby the BHA will participate in the development of mixed-income housing on public land, including as a public equity investor, in order to produce replacement public housing units and to increase the supply of low and moderate-income housing in the City of Boston. MIH-PPP describes projects with the following features:

- Development on BHA-owned or otherwise publicly-owned land that must be under a long-term ground lease that preserves long-term public control.
- Development of mixed-income residential buildings in which at least 20% of the units must be affordable units subject to permanent affordability restrictions.
- Development in which some units may be supported by project-based vouchers, including tenant-protection vouchers serving former residents of public housing.
- Development that may include a degree of public infrastructure investment in order to demolish and replace former public housing units.
- Development in which the majority ownership interest may be public equity, including equity supplied by the BHA from its Housing Accelerator Fund.

This program is necessary because of the intense unmet need for this housing in the City of Boston, the insufficiency of direct public subsidy to supply the low and moderate-income homes required, and the non-availability of sufficient private investment to finance this mixed-income housing production without public support.

AUTHORIZATION:

In order to successfully pursue these MIH-PPP projects and serve its core purposes as a housing authority under M.G.L. Chapter 121B and Chapter 88 of the Acts of 1989, the BHA, by this Memorandum and under the authority of its Administrator, hereby adopts this **Mixed-Income Housing Public Production Program (MIH-PPP)** and a policy of taking necessary actions to effectuate it, including:

- a) Ground-leasing public land held by the BHA for the production of Mixed-Income Housing that includes at least twenty percent of units for low and moderate-income households, as authorized under M.G.L. 121B §11(d) and M.G.L. 121B §26(m).
- b) Receiving and investing public funds as the majority-owner of these improvements, as authorized under M.G.L. 121B §§ 11(c), 11(d), 11(i), 11(l), and M.G.L. 121B §26(m).
- c) Negotiating and executing PILOT agreements with the City of Boston, acting through its Assessing Department, as authorized under M.G.L. 121B §16.

AUTHORIZED:



Priscilla MacKenzie Bok

Administrator & CEO
Boston Housing Authority

March 23, 2026



52 Chauncy Street
Boston, Massachusetts 02111

P 617.988.4000
TDD 800.545.1833 x420
www.bostonhousing.org

BOSTON HOUSING AUTHORITY
CERTIFICATE OF AUTHORITY

I, the undersigned and duly appointed Administrator of the Boston Housing Authority, do hereby certify and represent as follows:

The Administrator of the Boston Housing Authority is appointed by and serves at the pleasure of the Mayor of the City of Boston pursuant to the dictates of Chapter 88 of the Acts of 1989, as amended, an act relative to the form of governance for the Boston Housing Authority ("Chapter 88").

On July 14, 2023, the Mayor of the City of Boston appointed me the Administrator of the Boston Housing Authority, such appointment to be effective as of August 7, 2023. Pursuant to said appointment, I am empowered by Chapter 88 to manage and control the Boston Housing Authority.

I, the undersigned and duly appointed Administrator of the Boston Housing Authority, do hereby certify that the above is a true and correct statement of my appointment and powers as Administrator.


Priscilla MacKenzie "Kenzie" Bok
Administrator

8/7/2023
Dated



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Recorded: 08/15/2023 02:23 PM
ATTEST: Stephen J. Murphy, Register
Suffolk County Registry of Deeds