

**MEMORANDUM OF UNDERSTANDING
BETWEEN CITY OF BOSTON AND NORTHEASTERN UNIVERSITY
REGARDING PAYMENT IN LIEU OF TAXES**

This Memorandum of Understanding is made as of September 16, 2026 (the "Effective Date") by the City of Boston (the "City"), a Massachusetts municipal corporation with an address of One City Hall Plaza, Boston, Massachusetts 02201, and Northeastern University (the "Institution"), an independent, private, non-profit, tax-exempt, Massachusetts institution with an address of 360 Huntington Avenue, Boston, MA 02115 (each individually, a "Party" and together, the "Parties").

Recitals

This Memorandum of Understanding ("Memorandum") between the Institution and the City outlines the mutual understandings regarding voluntary financial contributions, both cash and in kind, to be furnished to the City by the Institution as part of the Payment in Lieu of Taxes ("PILOT") program. Both parties acknowledge that the Institution, similar to other non-profit, religious, and charitable entities, delivers substantial economic and non-economic advantages to the City and its residents. The execution of this Memorandum is guided by the following shared principles:

- Whereas, the Institution, as a private, non-profit, tax-exempt entity, benefits from essential services provided by the City.
- Whereas, the City recognizes certain properties owned by the Institution as tax exempt.
- Whereas, the City acknowledges and supports the critical importance of the continued growth, success, and financial health of its non-profit institutions.
- Whereas, the Institution recognizes that its success is intrinsically linked to the continued growth, success, and financial stability of the City.
- Whereas, a welcoming, safe, diverse, equitable, and fiscally sound home city is essential for the Institution.
- Whereas, the City and the Institution are dedicated to collaborating to achieve common goals and objectives.
- Whereas, the City values and supports the Institution's activities that generate employment, stimulate local purchasing, and contribute to positive economic development.
- Whereas, the Institution honors the services the City provides and the vibrant learning and living environment it fosters, and through this Memorandum, makes a long-term, voluntary financial commitment to support these municipal services and efforts.

Agreement

NOW, THEREFORE, in furtherance of the foregoing, the City and the Institution mutually agree as follows:

1. Term of Agreement

This Memorandum shall take effect on the Effective Date and remain in force until June 30, 2030 (the "Expiration Date"), unless sooner terminated as provided herein. The City and Institution will negotiate a renewal of the Memorandum term and contents not less than six (6) months prior to the Expiration Date. Any such renewal may include reasonable modifications based on changes to the Subject Property, City priorities, or other applicable factors.

2. Institution Responsibilities

The Institution commits to making defined, annual voluntary payments at a mutually agreeable amount (the "Voluntary Payment"). Voluntary Payments will be made to the City in the amounts listed according to the schedule in the "PILOT Cash Commitments Schedule" contained in this section. Payments are based on the real and personal properties owned by the Institution as of the Effective Date entitled to exemption from real and personal property taxation (the "Subject Property").

The Subject Property shall be entitled to exemption, so long as the Institution takes all appropriate steps to preserve their rights to said exemptions, including but not limited to submitting 3ABC material, filing preliminary consideration applications, abatement applications and or appeals as necessary for the preservation of their rights. Voluntary Payments submitted to PILOT are recognized only for PILOT and not any other City program or agreement.

PILOT Cash Commitments Schedule

The Institution's voluntary payments for the Term of this Memorandum are set forth below:

Year	Voluntary Payment
FY26	\$2,200,000
FY27	\$2,300,000
FY28	\$2,400,000
FY29	\$2,500,000
FY30	\$2,600,000

FY26 shall be July 1, 2025 through June 30, 2026. FY27 shall be July 1, 2026 through June 30, 2027. FY28 shall be July 1, 2027 through June 30, 2028. FY29 shall be July 1, 2028 through June 30, 2029. FY30 shall be July 1, 2029 through June 30, 2030.

The City shall commit the above-referenced cash contributions to support city-wide priorities, which may include but is not limited to, community investments and planning in Nubian Square and Roxbury.

PILOT Community Benefit Commitments

The City recognizes that the Institution makes and reports on a broad range of community benefits to the City, including financial and in-kind contributions. The Institution acknowledges the goal of making annual voluntary Community Benefits in an amount of at least \$7,431,616 each year.

Community Benefits that are eligible to be counted toward this annual goal amount are:

- Quantifiable
- Benefit City of Boston residents
- Support City and Institution collaboration toward shared goals that both parties acting reasonably can agree to

Community benefits that are not eligible generally include those that are:

- Not quantifiable
- Specifically described and ascribed a specific value in other arrangements including Institutional Master Plans and Article 80
- Funded through State Determination of Need
- Part of the core mission activities of the Institution and generally available and accessible to both residents and non-residents of the City of Boston

Categories and examples of Community Benefits include but are not limited to:

- Scholarships and financial aid to admitted students who are residents of the City of Boston community, above and beyond funding that is part of the core mission activities of the Institution and generally available and accessible to both residents and non-residents of the City of Boston
- Voluntary contributions to and financial support of K-12 education with a focus on the Boston Public Schools
- Voluntary contributions to and financial support of City initiatives to increase housing affordability and production in Boston
- Voluntary contributions and payments to public spaces, resources and parks and related organizations
- Community access to the Institution's spaces
- Voluntary assistance, services, and scholarships provided to City employees

3. Reporting

The Institution shall, on an annual basis, on or before April 1st of each year, submit a year-end report enumerating specific community benefits and programs, highlighting the benefits for Boston residents, the dollar value of each benefit, and sufficient background and documentation on calculation assumptions and program details. The report will be posted on the City's website. For the avoidance of doubt, the Institution's annual Community Benefits Annual Report may be used to satisfy the foregoing reporting requirement.

The report will be reviewed by the City and the Institution to ensure they are consistent with shared priorities and community needs. The report will also be posted on the City's website.

Based on this review, the City and the Institution shall discuss potential adjustments to the roster of community benefits.

4. Entirety of Agreement

This Memorandum represents the entirety of the agreement between the City and the Institution with respect to the Institution's PILOT obligations and replaces and supersedes any and all existing understandings and agreements related to the Institution's voluntary commitments as part of the PILOT program, including the prior arrangements as outlined in the December 2010 City of Boston PILOT Task Force Final Report and Recommendations.

5. Notice of Intent Not to Pay

With regard to any payments referred to in this Memorandum, it will be the Institution's decision whether to make such payments for a given fiscal year, and if the Institution decides not to make any such payment for a given fiscal year, the Institution will give notice to the City of such decision at least six (6) months before the start of the fiscal year in which such payments will not be made.

6. Modifications

Any modification to this Memorandum for any reason shall be made by the mutual written consent of the Parties.

7. Amendment and Termination

Either party may terminate this Memorandum by written notice to the other at least six (6) months prior to the intended termination date.

8. Public and Governmental Purpose

Performance under this Memorandum by the Parties, their agents, servants, and employees shall be for public and governmental purposes. All privileges and immunities from liability enjoyed by governmental units, their agents, servants, and employees shall extend to performance under this Memorandum to the extent permitted by Massachusetts and Federal law, provided that, notwithstanding any provisions of law or charter to the contrary, neither party to this Memorandum shall be exempt from liability for its obligations under this Memorandum.

9. Notices

All notices and other communications to be given under this Memorandum shall be given in writing and delivered personally, or by overnight delivery using a nationally recognized overnight courier at the address set forth below. Either party may provide a courtesy copy of any such notice or communication by electronic e-mail to the appropriate party at the e-mail address set forth below provided that such electronic e-mail notice shall not constitute proper legal notice hereunder. Notices shall be deemed delivered upon receipt.

City of Boston
Mayor's Office of Partnerships
One City Hall Square
Boston, MA 02201
Attention:
Email:

With a copy to:
City of Boston Law Department
One City Hall Square
Boston, MA 02201
Attention: Corporation Counsel
Email: law@boston.gov

Northeastern University
360 Huntington Avenue
Boston, MA 02115
Attention: Planning, Real Estate and Facilities
Email: facilitiescustomerservice@northeastern.edu

With a copy to:
Northeastern University
360 Huntington Avenue, 301 CP
Boston, MA 02115
Attention: Office of the General Counsel
Email: office_of_the_general_counsel@northeastern.edu

10. Choice of Law

This Memorandum shall be interpreted under the laws of the Commonwealth of Massachusetts, without regard to principles of conflicts of laws.

11. Compliance

It is the intention of the City, through its Assessing Department, to recognize the Institution as exempt pursuant to M.G.L. c. 59, s. 5, in future fiscal years so long as and provided that a) exemption is warranted as a matter of ownership, use and occupancy and b) Form 3ABC is timely filed with the Assessing Department for each fiscal year.

12. Abatement

In the event that a real estate tax bill is issued for any portion of the Subject Property, it is the exclusive responsibility of the Institution to do all things necessary to preserve the jurisdiction of the City's Assessing Department to grant abatement relief on the basis of exemption, overvaluation, misclassification and/or disproportion including timely filing of applications(s) for abatement, supporting documentation and appeal(s) to the Appellate Tax Board, as may be necessary, and timely payment of the deemed tax due as defined in M.G.L. c. 59, s. 64. Any such tax bill, if paid and unabated, shall be credited against the PILOT obligation as calculated above.

13. Change of Law

If at any time hereafter, due to a change in the laws applicable to exemptions from property taxation, any tax payment is made pursuant to a M.G.L. c. 59 tax assessment in a particular year for any portion of the Subject Property, such payment shall be credited against the PILOT obligation as calculated above. Any overpayment made in a fiscal year by reason of this provision shall be credited against future PILOT obligations.

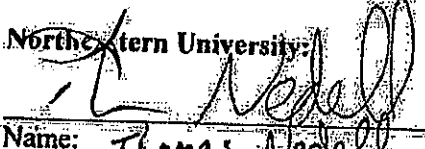
14. Commercial Operation

Pursuant to applicable law, the City may assess property taxes to the Institution based upon commercial operation or uses of any portion of the Subject Property to the extent permitted by such applicable law.

[Signatures on the following page]

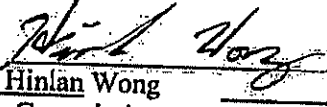
This Memorandum is executed as an instrument under seal as of the Effective Date.

~~Northern~~ University:

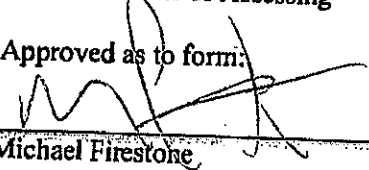

Name: Thomas Nedell
Title: Senior VP + Treasurer

City of Boston:


Michelle Wu
Mayor


Hinlan Wong
Commissioner of Assessing

Approved as to form:


Michael Firestone
Corporation Counsel