

TECHNICAL MEMORANDUM

TO: Kara Brewton, Director of Planning & Community Development
Town of Brookline
333 Washington Street
Brookline, Massachusetts 02445

FROM: RKG Associates, Inc.

DATE: October 7, 2026

SUBJECT: Peer Review – Fiscal Impact Analysis – 26 Pleasant Street

Project Overview

RKG Associates (RKG) was retained by the Town of Brookline, Massachusetts to prepare a peer review of the Fiscal Impact Analysis (FIA) prepared by Fougere Planning and Development (Fougere¹) in support of the proposed 96-unit residential project located at 26 Pleasant Street in Brookline (herein referred to as “the Project”).

Figure 1 – Aerial View of Site



¹ As prepared by Fougere Planning and Development dated August 10, 2026 – hereinafter referred to as the Report.

As RKG understands, the proposed development Project is projected to include a total of 96 multifamily rental units with 15% of those units set aside as deed-restricted affordable to comply with the town’s inclusionary zoning requirements. The building will include a mix of unit types and sizes, but nearly 71% of the units will be comprised of studios and one-bedroom units. The Project will include 60 parking spaces on site, including spaces located underground.

Table 1: Proposed Development Program

Unit Type	Unit Count
Studio – Market Rate	19
Studio – Affordable	3
One Bed – Market Rate	39
One Bed – Affordable	7
Two Bed – Market Rate	20
Two Bed – Affordable	3
Three Bed – Market Rate	4
Three Bed – Affordable	1
Total Units	96

The purpose of this peer review is to offer the town an independent assessment of the reasonableness of the methodology, assumptions, inputs, and findings as presented in the Report.

Revenue Assumptions and Methodology

The Report notes that the majority of Brookline’s municipal revenues are generated by property taxes on parcels and buildings in the town today. This statement is accurate as nearly 80% of revenue into the General Fund comes from property taxes. The Report also uses the town’s current FY26 property tax rates of \$10.24 for residential uses and \$17.16 for commercial and industrial uses as well as personal property. These rates are accurate as of the date of this report and verified on the town’s website².

The next step in calculating the potential tax revenue from the Project once constructed and occupied is to apply an estimated assessed value per unit across the 96 total units. Fougere’s methodology for assigning assessed values is to utilize comparable multifamily developments in Brookline and calculate the per unit valuation by dividing the property’s total assessed value by the number of units in the building. This approach is appropriate assuming the proposed development will be of comparable size, unit mix, finishes, amenities, and location to the comparables used.

The three comparable developments used in the Report are shown in Table 2. All three are under 100 units in size, they include a mix of bedroom types and are assumed to have equivalent finishes to the Project. Although the Report did not include any information about projected rents for the market rate units, it is assumed they would be equivalent to an average of these three projects or possibly higher considering this

² <https://www.brooklinema.gov/381/Property-Tax-Rates-Definitions>

project would be completed in the coming years. Increases in average monthly rents or changes to the town's tax rate or assessed values could all impact the final valuation when the Project opens and is reassessed.

Table 2: Fougere Comparables and Estimated Value of 26 Pleasant Street

Estimated Yearly Residential Property Taxes			
Apartment Community	Assessment	# Units	Assessment/Unit
Marion Square	\$38,188,000	51	\$748,784
45 Marion	\$25,033,200	64	\$391,144
The Calvin	\$19,158,520	25	\$766,341
Average	\$82,379,720	140	\$588,427
Proposed 20 Pleasant St.	\$56,488,951	96	
Est. Property Taxes @ \$10.24	\$578,447		
Existing Site	\$2,899,200		
Property Taxes @ \$10.24	\$29,688		

To test the assessed valuation estimate used in the Report, RKG utilized its fiscal impact model that was constructed for Brookline in 2025. RKG updated the model based on unit sizes and rents of the three comparable developments, as well as the submarket cap rate and new property tax rates for Brookline. Using our income-based approach fiscal impact model we came up with an estimated valuation of \$571,144 per unit compared to the Report's estimate of \$588,427. We would consider the Report's estimate to be reasonable since we do not know how rent, parking income, or other income from the Project would compare to the three comparable projects used.

The Report also considers that Brookline has adopted the 1% CPA surcharge tax equivalent to \$5,784 annually based on the estimated property taxes for the Project at completion. Lastly, the Report calculates potential vehicle excise taxes from vehicles registered to the property's address. Fougere assumes 58 of the 60 parking spaces will be filled at any one time resulting in an average annual excise tax of \$20,300. Based on RKG's prior fiscal impact modeling for Brookline, we find this to be reasonable.

Table 3: Fougere Estimated New Annual Revenue

Estimated New Annual Yearly Revenue	
Estimated Property Taxes	\$578,447
CPA Surcharge	\$5,784
Estimated Excise Taxes	\$20,300
Total	\$604,531

RKG finds the total revenue projection of \$604,531 to be within an acceptable range and derived using industry accepted practices.

Expenditure Assumptions and Methodology

To estimate the potential municipal and school service costs that could result from the Project, Fougere uses a mix of methodologies. The Report states that the most heavily impacted departments include Police, Fire, and Schools with minimal impact on all other departments in Brookline. RKG agrees with Fougere that the three identified departments often experience the greatest impact from new residential development, particularly multifamily rental units in an already developed location. The private development is already served by infrastructure and will maintain its own trash collection and landscaping. These developments also tend to have fewer families with children reducing the impact on departments like recreation, library, and facilities.

Police and Fire Costs

When quantifying the potential costs for Police and Fire, there is a difference between the methodology in the Report and the one used in RKG’s 2025 fiscal impact analysis model. The Fougere report uses a cost per call methodology which takes the entire police budget and the entire fire budget and divides them by the number of calls each department fielded the prior year. This results in a cost per call for Police of \$492 and a cost per call for Fire of \$1,929. The Fougere report then estimates that the Project could generate 26 calls to the Police Department and 9 calls to the Fire Department per year once fully constructed and occupied.

RKG’s fiscal impact model uses an incremental cost approach to identify which budget line items across the town’s entire budget are likely to be impacted by new units of housing or square feet of non-residential space. This methodology is more conservative and takes into account the impact to the entirety of the department regardless of the call volume because these departments are serving the whole community. While both methodologies (Fougere and RKG) are acceptable when evaluating the impact of a proposed development project, RKG’s approach is the more conservative of the two meaning it is potentially overstating the potential impact of the development on town services and costs. A comparison of the results of the two approaches is shown in Table 4.

Table 4: Comparing the Fougere Report and RKG’s Model Results

Report Category	Total Cost Estimate
Fougere Police	\$12,792
RKG Police	\$42,970
Fougere Fire	\$17,361
RKG Fire	\$51,048

**RKG costs based on 2025 Town budget.*

General Government Costs

To account for potential costs across all other town departments (not including schools) the Fougere report assigns a blanket cost per housing unit of \$125 across the 96 proposed residential units. As stated in the Fougere report in the footnote on Page 9,

this cost per unit is based on Fougere’s 20 plus years of experience reviewing budget impacts from development and not specific to Brookline’s actual budget. RKG’s fiscal impact model utilizes the incremental cost approach across all line items in Brookline’s budget which includes all departments within town government. Our 2025 analysis of Brookline’s budget found the incremental cost of all other departments (minus police, fire, and schools) to be \$12,500. This is in line with the costs being carried in the Fougere report.

However, the RKG fiscal impact analysis includes an additional line item for “Other” costs which include items like healthcare, employee benefits, disability insurance, and other costs that are not attributable to one specific department but apply across town employees overall. Given the rapid rise in benefits and healthcare costs to communities across the Commonwealth, we have accounted for this in our analysis. Based on Brookline’s 2025 budget, RKG carries a cost of \$262 per household for “Other” costs which are not accounted for in the Fougere report. This would add an additional \$25,119 in costs against the Project’s projected revenues.

Student Counts and School Costs

The final component of the cost calculations is related to education which is comprised of two key assumptions. The first is the student generation rates which are applied on a per unit basis to the projected 96 units of new housing. The second is the cost per student that is applied once the total number of students is determined.

For the student generation rates, the Fougere report uses the same three comparable developments referenced earlier in the report used to derive assessed values and property taxes. The Report states on page 10 that the data on the number of students at these three existing developments came from the Brookline School Department and when combined yielded a student generation ratio of 0.145 students per unit.

Table 5: Fougere Student Generation Rate Calculations

Estimated School Age Children			
	# Units	# SAC	# SAC/Unit
420 Harvard St.	23	10	0.435
45 Marion St.	64	2	0.031
77 Marion St.	44	7	0.159
Total Average	131	19	0.145
Proposed 26 Pleasant St.	96	14	

RKG’s fiscal impact model utilized the same approach using comparable developments and data from the School Department to calculate a ratio of students per unit. RKG also referenced several previous studies the town had conducted in coordination with the School Department and found similar results to the Fougere report. Our analysis derived a ratio of 0.15, which if rounded would match the Fougere report. RKG is in agreement with the student generation ratio in the Report.

The second component to calculating education costs is the estimated school costs per student which is multiplied by the projected number of students to yield total education costs from the Project. Here, the Report cites education costs from the Massachusetts Department of Elementary and Secondary Education (DESE) which reports on annual costs for school districts across the Commonwealth. The challenge with this data is it often lags by several fiscal years, therefore the Report cites DESE data from 2022.

After removing Chapter 70 state aid from Brookline's total education budget, and dividing the local share of the cost by the total enrollment of the school district, the Report estimates a cost of \$20,713 per student. Without access to the School District's line item budget, using DESE figures as a proxy is an appropriate methodology. The RKG fiscal impact model utilizes the School District's line item budget (similar to the approach to town costs) to estimate an incremental education cost per student. The RKG analysis from 2025 estimated an incremental education cost of \$15,572 per student. This is lower than the Fougere report because it accounts for fixed costs that are unlikely to increase with the addition of new students such as the Superintendent's salary or administrative staff wages.

Lastly, the Fougere report notes a reduction of the \$20,713 cost per student by 25% to account for declines in enrollment since 2018 noting new students within the district are "replacing empty seats". This reduction is nearly identical to RKG's incremental cost per student from the 2025 fiscal impact model, therefore RKG does not have any issue with the methodology or conclusions in the Fougere report.

Reconciliation and Summary Conclusion

Table 6 presents a reconciliation of both the Fougere report and RKG's independent analysis of the proposed Project. While there are some differences in methodology and the overall results, both analyses result in substantially positive fiscal benefits to the Town of Brookline.

Table 6: Reconciliation Table Comparing Fougere to RKG

Revenue/Cost Category	Fougere Report	RKG Analysis
Gross Revenues	\$604,531	\$587,322
Police Costs	-\$20,000	-\$42,970
Fire Costs	-\$17,361	-\$51,048
Other Dept. Costs	-\$12,000	-\$37,646
School Costs	-\$217,486	-\$218,010
Total Costs	-\$266,847	-\$349,674
Net Fiscal Impact	+\$337,684	+\$237,648



Other Notes

The Fougere report states on Page 2 that the Town of Brookline has 10,581 housing units with approximately 7,381 of those as single family housing units. Data from the 2024 ACS shows Brookline having 28,873 total housing units with 24% (6,930) of those as single unit structures. This discrepancy does not impact the findings of the Fougere report.

