Bernard W. Greene – Chair
David Pearlman – Vice Chair
John VanScoyoc
Paul Warren
Michael Rubenstein
Charles Carey – Town Administrator

Ouimet Room, Brookline Golf Course
1218 W Roxbury Parkway
Chestnut Hill, MA

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Select Board Agenda
Regular Meeting
Tuesday, March 17, 2026 at 9:00 AM

Note: Times on the agendas are approximations, and the Select Board reserves the right to adjust the schedule, except that public hearings will not start before their noticed time.

1. **9:00 AM - Select Board Arrival and Breakfast**

2. **9:30 AM - Opening Remarks / Purpose of Workshop / Miscellaneous**

   Following any announcements from Select Board members, the Chair will lay out the agenda and timing of the rest of the meeting. Approval of miscellaneous items, licenses, and contracts.

   2a. Question of approving a proclamation of recognition and congratulations to retired Brookline Police Officer, Debbie Hatzieleftheriadis on receiving the 2026 Black Excellence on the Hill Award.

3. **9:45 AM - Override Discussion**

   3a. Review of Expenditures & Revenues Study Committee's final report and recommendations with members of that Committee. Discussion of potential override ballot questions, including structure and amount.

4. **11:30 - Special Town Meeting**

   4a. Question of calling a Special Town Meeting on one of several potential dates (Tuesday, May 26, 2026; Wednesday, May 27, 2026; Thursday, May 28, 2026; Tuesday, September 15, 2026; Wednesday, September 30, 2026; or a date identified by the Select Board) at 7:30 p.m. at the High School Auditorium and Zoom remote meeting; to waive the requirements of Sections 2.1.2 through 2.1.4 of the Town's By-Laws to the extent necessary; to open and close the Warrant if feasible to do so; and, if the warrant is being opened/closed, to insert in the said Warrant the following articles:

   STM 1 - Article 1 - Amend the Zoning By-Law and Zoning Map to establish and

accommodate a Chestnut Hill Commercial (CHC) Overlay District. (Select Board).

STM 1- Article 2 - Authorize the Select Board to enter into any necessary agreement(s) and/or amendments to existing agreements, including a Memorandum of Agreement, and to accept a related restrictive covenant in the form of a Tax Certainty Agreement, related to the development of 1280, 1290, 1300, and 1330 Boylston Street within the proposed Chestnut Hill Commercial (CHC) Overlay District. (Select Board)

5. **12:30 PM - Lunch**

6. **1:15 PM - Department Budget Reviews**

   6a. Review of the following FY27 Departmental Budgets:

   6b. Recreation Department

   6c. Police Department

   6d. Fire Department

7. **2:00 PM - 2030 Roadmap**

   7a. Update and discussion on the 2030 Roadmap with Consensus Building Institute's Abby Fullem.

8. **3:00 PM - End of Day**

The Town of Brookline does not discriminate on the basis of disability in admission to, access to, or operation of its programs, services, or activities. The Town of Brookline does not discriminate on the basis of disability in its hiring or employment practices. This notice is provided as required by Title II of the Americans with Disabilities Act (ADA) and by Section 504 of the Rehabilitation Act of 1973. Questions, complaints, or requests for additional information may be sent to Sarah Kaplan, Community Relations Specialist and ADA / Section 504 Coordinator. Persons with disabilities who need either auxiliary aids and services for effective communication, written materials in alternative formats, or reasonable modifications in policies and procedures in order to access programs and activities of the Town of Brookline are invited to make their needs and preferences known to the ADA Coordinator. This notice is available in alternative formats from the ADA Coordinator.

Select Board Webpage

For help attending meetings on Zoom, go to BrooklineMA.gov/ZoomTips. If you need reasonable accommodations or modifications related to this meeting, please contact Sarah E. Kaplan, ADA Compliance Officer, at skaplan@brooklinema.gov or call 617-730-2329. ADA Information: BrooklineMA.gov/Town-Legal-Notice
Requests for language access may be sent to the Language Access Coordinator at ODEICR@brooklinema.gov.

PROCLAMATION

Brookline Select Board

Recognizes and Congratulates

Deborah Hatzeileftheriadis

On Being Selected by the Massachusetts Black and Latino Legislative Caucus as its

2026 Black Excellence on the Hill Honoree

WHEREAS the Brookline Select Board rightfully honors those Brookline residents and Town employees whose service, civic commitment, and leadership have been shining models of public service that have enriched the lives of residents and enhanced the civic life of our Town; and

WHEREAS Deborah "Debbie Hatz" Hatzeileftheriadis has been a paradigm of those qualities and a true Brookline trailblazer as a Brookline Police Officer for 16 years and her many years as a civic leader and model citizen in the Town of Brookline; and

WHEREAS Debbie Hatz was nominated by Brookline State Representative Tommy Vitolo and selected by the Massachusetts Black and Latino Legislative Caucus as it 2026 Black Excellence on the Hill Award.

WHEREAS The Brookline Select Board further acknowledges and thanks Debbie Hatz for her outstanding and sustained contributions to the Town of Brookline as a long-time resident, Police Officer and trailblazing civic leader, and specifically cites the following:

- Being an outstanding product of the Public Schools of Brookline from Kindergarten to her graduation from Brookline High School where she excelled in multiple sports and was inducted into the Brookline Hall of Fame and became the first African American member of the Hall of Fame Board.

- Being a mother who raised five outstanding children, two of whom are Brookline Fire Fighters and one of whom Debbie Hatz served as his legal guardian through high school.

- Being the Brookline Police Department's first Black female officer beginning in 1998 after graduating from the Norwood Police Academy where she broke the women's bench press record and was the president of her Academy class.

- Being a leader in Brookline's Community Policing strategy and working to divert youth from destructive behaviors and from the criminal justice system by teaching the Drug Abuse Resistance Education (DARE) program for eight years and being a leader in the ground-breaking Brookline Roundtable program that brought together Police with social workers, school administrators, probation

officers, the courts, and nurses to discuss issues arising in the High School and to anticipate problems, to identify youth at risk, and to intervene to provide support, guidance, and re-direction. Also, serving as a school resource officer before that job was formally named School Resource Officer and working in the schools to develop relationships with students during good times so that she and other youth officers could intervene to prevent problems in the schools, provide role models and guidance when needed, and divert youth from the criminal justice system when possible.

- Being a tireless volunteer with youth athletic programs, serving as Town Meeting Member for Precinct 15, being the president of the Friends of Larz Anderson Park, serving as a member of the Park and Recreation Commission, being a member of Greenspace Alliance, and driving the Senior Center's bus when the regular driver was not available.

NOW, THEREFORE, IN CONSIDERATION OF THE FOREGOING, on this 17th Day of March 2026, the Brookline Select Board, on behalf of the residents of Brookline, congratulates Debbie Hatz for being nominated by State Representative Tommy Vitolo and being selected by the Massachusetts Black and Latino Legislative Caucus' as its 2026 Black Excellence on the Hill Award.

Brookline Select Board

_____
Bernard Greene, Chair

_____
David Pearlman, Vice Chair

_____
John VanScoyoc

_____
Paul Warren

_____
Michael Rubenstein

Expenditures and Revenues Study Committee

Final Report

March 13, 2026

Bernard Greene, Chair and Select Board Appointee
Dick Benka
Ruth Ellen Fitch
Janet Gelbart
Sadaf Kazmi
Sergio Modigliani
Jeff Rudolph
Sarah Moghtader, School Committee Appointee (May 2025 - September 2025)
Mariah Nobrega, School Committee Appointee (September 2025 - March 2026)
John Doggett, Advisory Committee Appointee
John Van Scoyoc, Select Board Alternate
Jesse Hefter, School Committee Alternate
Cliff Brown, Advisory Committee Alternate

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I. Executive Summary

The Brookline Expenditures & Revenues Study Committee (E&RSC) is pleased to present our report to the Brookline Select Board (SB). The report has been approved by the full E&RSC and has three parts: a) recommendations, which includes the recommendation of the full Committee as well as those of each of its three subcommittees, b) background, which lays the context for the approximately 12 months of work undertaken by the Committee, and c) the subcommittee reports, which include detailed analysis that supports the ultimate recommendations made by the subcommittees and overall E&RSC.

While elected officials from the Select Board and School Committee served as members of the E&RSC and alternates, these elected officials did not write this report (with the exception of some appendices) and were not allowed to vote during the approval of this report.

The financial figures in this report are accurate as of March 13, 2026, unless stated otherwise.

Full Committee Executive summary

The Problem

Brookline has long faced a 'structural deficit' as its revenues increase at a slower rate than its expenses. Property taxes comprise roughly 79% of Brookline's annual revenue. The portion of those taxes Brookline is allowed to increase[1] are constrained by Proposition 2 ½, the Massachusetts law that limits the annual increase to 2.5% plus taxes imposed on 'new growth'.[2] Conversely, the Town's expenses are either unconstrained or are subject to collective bargaining agreements with embedded escalators that have resulted in increases, and which are projected to continue to increase, at levels outpacing both the Town's property tax revenue growth and inflation. Though Brookline does have revenue sources in addition to property taxes (State Aid, meals and hotels taxes, various fees and fines, etc.), they are neither a large enough component of total revenue nor grow fast enough to close the gap. Brookline is currently not alone in this situation, with communities across Massachusetts contending with a confluence of fiscal challenges, including the

[1] Taxes to finance capital projects raised via a 'debt exclusion' ballot question are not permanent and are therefore not subject to Proposition 2 ½.
[2] New growth includes both new development and any changes to existing properties necessitating a building permit.

rising costs of healthcare, inflation, and limited State Aid - leading to the need for more revenues[3].

Though both the Town and the Public Schools of Brookline (PSB) have historically had deficits, the PSB structural problem has always been more significant. That remains the case today although the Town currently is dealing with a larger structural issue than it has before. While both the Town and the PSB have made budget adjustments — including staff eliminations, deferring capital improvements, reducing Free Cash allocations, and restructuring services, ongoing expenditures continue to outpace available revenue.

Over the next three fiscal years, the Town is projecting a structural deficit of $7.95 million, while the PSB is projecting a structural deficit of $17.94 million (see Tables 1 and 2 later in this section). Coupled with increases from Proposition 2 ½, voted but not yet funded excluded debt, fully funding the combined deficit, as requested by the Town and Schools would result in an estimated average 18.27%[4] increase in property taxes over the next three fiscal years for Option 1 (options explained below) and 16.87% for Option 2. This would mean an increase to median property taxes for Options 1 and 2 of $3,924 and $3,632 for single family homes and $2,296 and $2,125 for condominiums in that timeframe, respectively.

The table below summarizes the impact on median taxes each year for Options 1 and 2, by real estate class.

[3] Source: "Weathering the Storm" Massachusetts Municipal Association (chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.mma.org/wp-content/uploads/2025/12/MMA-Navigating_the_Storm_report-12.11.25.pdf)

[4] The forecasted increases in taxes do not include the Community Preservation Act tax. This is because the CPA tax is not part of the levy and is not part of the tax rate applied to residential or commercial property valuations. Rather, it is an annual tax equal to 1% of the tax bill paid by the property owner. Because it is not tied to the overall valuation of property in the Town, it really cannot be easily included in a discussion of how the Town's levy increases and would be impacted by an override.

OPTION 1: Median Tax Increases by Class				
	FY27	FY28	FY29	Total
Projected Regular % Increase Inc. Debt Exclusions	**5.08%**	**3.10%**	**3.10%**	**11.28%**
Projected Regular Tax Increase ($)				
Median Single-Family	$1,062	$690	$711	$2,463
Median Condo	$621	$404	$416	$1,441
Median Commercial	$1,758	$1,144	$1,179	$4,081
Projected Override Levy % Increase	**2.96%**	**1.68%**	**2.35%**	**6.99%**
Projected Override Tax Increase ($)				
Median Single-Family	$619	$352	$490	$1,461
Median Condo	$362	$206	$287	$855
Median Commercial	$1,027	$581	$809	$2,417
Total Cumulative Tax % Increase	**8.04%**	**12.86%**	**18.31%**	
Total Projected Median Tax Increase				
Median Single-Family	$1,681	$1,042	$1,201	$3,924
Median Condo	$983	$610	$703	$2,296
Median Commercial	$2,785	$1,725	$1,988	$6,498

OPTION 2: Median Tax Increases by Class				
	FY27	FY28	FY29	Total
Projected Regular % Increase Inc. Debt Exclusions	**5.08%**	**3.10%**	**3.10%**	**11.28%**
Projected Regular Tax Increase ($)				
Median Single-Family	$1,062	$690	$711	$2,463
Median Condo	$621	$404	$416	$1,441
Median Commercial	$1,758	$1,144	$1,179	$4,081
Projected Override Levy % Increase	**5.59%**	**0.00%**	**0.00%**	**5.59%**
Projected Override Tax Increase ($)				
Median Single-Family	$1,169			$1,169
Median Condo	$684			$684
Median Commercial	$1,934			$1,934
Total Cumulative Tax % Increase	**10.67%**	**13.77%**	**16.87%**	
Total Projected Median Tax Increase				
Median Single-Family	$2,231	$690	$711	$3,632
Median Condo	$1,305	$404	$416	$2,125
Median Commercial	$3,692	$1,144	$1,179	$6,015

The Town and Schools subcommittees have noted that the current forecasts from the Town and PSB have been developed incorporating significant and difficult cuts in personnel and changes to some programs. While we acknowledge this challenging work done by Town and Schools staff to arrive at their current FY27-29 forecasts and ultimately support placing an override question on the May 2026 ballot, we believe that putting only one option on the ballot at an aggregate tax levy increase of $23.25M over three years could risk any override amount passing in May. The result would be a dramatic reduction both of Town and Schools staff and Town and Schools services that taxpayers have previously voted to support and have come to expect in Brookline.

The options to eliminate these structural mismatches are not simple fixes, will all come at price, and require time to implement. The Committee does not envy the Select Board, the body that must decide how to address the problem.

As we have been charged to do, we present the Select Board with some options to consider, all of which include a mechanism to raise sufficient capital to address the structural gap for the next three years. At least one of these options ensures taxpayers will have the right to consider something beyond a binary 'all or nothing' choice, which, in our view, may not be viewed by many taxpayers as a choice at all. Indeed, the Committee has concluded that giving voters several alternatives, with enough information for them to understand the services funded or not, would maximize the likelihood that an override would pass, thereby managing the risk to Brookline's Aaa bond rating and overall community confidence.

In developing these options, consideration of what will happen after FY29 was required because some options end FY29 with a higher tax levy limit than others. At the end of FY30 the Town's unfunded pension liability is targeted to be resolved. Those funds (approximately $40M) are expected to be redirected to funding the Town's OPEB liabilities starting in FY31. As noted in this report, OPEB funding could be done on a modified schedule, thereby possibly freeing up funding to offset the Town and Schools' structural deficits in FY31. However, there is still the question of what might be required in FY30 (and beyond, if the OPEB policy does not change or the pension obligation is not fully funded by FY30).

Options for the Select Board to Consider

The committee has reviewed and discussed several mechanisms the Select Board could use to raise the funds needed to close the structural deficits mentioned above and discussed in greater detail herein. The alternatives and our preferred option are discussed below:

Option 1: Put only the entire **$23.25M** combined override asks ($5.31M for Town Services and $17.94M for Schools) on the ballot. The incremental tax levy in this option would total **6.99**% over three years. The money would be raised on a schedule that matches that proposed by the Town and Schools respectively. In this case, the Town has requested that their total three-year need be raised up-front in FY27 and held in a reserve fund until it is needed. The Schools have requested that their funds be raised on a schedule consistent with the forecasted need in each of the next three fiscal years. The Schools' proposal is consistent with how past Brookline overrides have been structured. This approach has the benefit of being consistent with the way the Town and Schools have developed their forecasts to date, and enables each to manage their finances in the way they deem best. On the other hand, in total it is also the most expensive of the options presented and one that does not offer taxpayers any choice but a straight-up 'yes' or 'no'. See Table 1 for how Option 1 would work.

Table 1: Option 1 Financials

	FY27	FY28	FY29	Total
Forecasted Revenue	$ 440,247,086	$ 451,740,309	$ 465,538,831	
Forecasted Revenue For Allocation	$ 247,021,997	$ 247,746,045	$ 247,713,806	
Town	$ 101,762,426	$ 102,576,943	$ 103,086,505	
Schools	$ 145,259,571	$ 145,169,102	$ 144,627,301	
Forecasted Expenses				
Town	$ 102,969,169	$ 107,635,079	$ 111,037,555	
Schools	$ 149,801,901	$ 155,314,303	$ 162,571,740	
Town Deficit	$ (1,206,743)	$ (5,058,136)	$ (7,951,050)	
School Deficit	$ (4,542,330)	$ (10,145,201)	$ (17,944,439)	
Total Deficit	**$ (5,749,073)**	**$ (15,203,337)**	**$ (25,895,489)**	
Override Levy	**$ 9,852,330**	**$ 15,455,201**	**$ 23,254,439**	
Override Levy Allocated to Town	$ 5,310,000	$ 5,310,000	$ 5,310,000	
Funds Used for Town Services	$ 1,206,743	$ 5,058,136	$ 7,951,050	
Town Stabilization Fund	$ 4,103,257	$ 4,437,186	$ 1,796,136	
Override Levy Allocated to Schools	$ 4,542,330	$ 10,145,201	$ 17,944,439	
Funds Used for Schools Services	$ 4,542,330	$ 10,145,201	$ 17,944,439	
Schools Stabilization Fund	$ (0)	$ (0)	$ (0)	
Regular Levy % Increase	5.08%	3.10%	3.10%	11.28%
Override Levy % Increase	2.96%	1.68%	2.35%	6.99%
Total Cumulative Tax % Increase	**8.04%**	**12.83%**	**18.27%**	

Option 2: Front-load the tax levy increase in FY27, while covering the full FY27-29 deficit for the Town and Schools. The total override amount in this option would be reduced to **$18.6M** with the incremental tax levy totaling **5.59**% over three years. This approach would result in a larger initial raise but a lower total override number and would place the excess initial money raised in an interest-bearing reserve/stabilization fund for use in future years by both the Town and the Schools. This option would result in an immediate increase in the tax levy which may be more jarring for taxpayers than the more gradual ramp in Option 1, and which would result in excess levy capacity in both FY27 and FY28. It is that excess levy amount that would be placed in the reserve/stabilization fund and then used to close any forecasted gap in FY29 as well as hold some funds in reserves to mitigate any FY30 deficit. This model could enable both the Town and the Schools to address their current projected funding gaps across FY27-29 while also reducing the total override amount by $4.65M to $18.6M. This option also gives the Town and Schools additional runway to tackle longer-term cost structure improvements. See Table 2 for how Option 2 would work.

Table 2: Option 2 Financials

	FY27	FY28	FY29	Total
Forecasted Revenue	$ 440,247,086	$ 451,740,309	$ 465,538,831	
Forecasted Revenue For Allocation	$ 247,021,997	$ 247,746,045	$ 247,713,806	
Town	$ 101,762,426	$ 102,576,943	$ 103,086,505	
Schools	$ 145,259,571	$ 145,169,102	$ 144,627,301	
Forecasted Expenses				
Town	$ 102,969,169	$ 107,635,079	$ 111,037,555	
Schools	$ 149,801,901	$ 155,314,303	$ 162,571,740	
Town Deficit	$ (1,206,743)	$ (5,058,136)	$ (7,951,050)	
School Deficit	$ (4,542,330)	$ (10,145,201)	$ (17,944,439)	
Total Deficit	$ (5,749,073)	$ (15,203,337)	$ (25,895,489)	
Override Levy	$ 18,600,000			
Override Levy Allocated to Town	$ 5,750,000	$ 5,750,000	$ 5,750,000	
Funds Used for Town Services	$ 1,206,743	$ 5,058,136	$ 7,951,050	
Town Stabilization Fund	$ 4,543,257	$ 5,325,986	$ 3,124,936	
Override Levy Allocated to Schools	$ 12,850,000	$ 12,850,000	$ 12,850,000	
Funds Used for Schools Services	$ 4,542,330	$ 10,145,201	$ 17,944,439	
Schools Stabilization Fund	$ 8,307,670	$ 11,178,622	$ 6,084,184	
Regular Levy % Increase	5.08%	3.10%	3.10%	11.28%
Override Levy % Increase	5.59%	0.00%	0.00%	5.59%
Total Cumulative Tax % Increase	**10.67%**	**13.77%**	**16.87%**	

Option 3: Give voters options by adding tiers to the ballot question. This alternative could be applied to the levy approach outlined in either Option 1 or Option 2. In this situation, the Select Board would provide taxpayers with the option of choosing to fund all, none, or some intermediate amount (or amounts) of the override requests. To provide the most informed choice for taxpayers, the Town and the PSB would need to provide the Select Board with a list prioritizing the reductions they have identified in any intermediate tiers between the "all" and "none" scenarios, with corresponding dollar amounts. **The Committee recommends that if this approach is chosen by the Select Board, that the tiering be structured in a neutral manner and avoid an approach that results in taxpayers not really having a choice. An intermediate tier, for consideration by the select board, allows both the Town and Schools to choose a subset of the cuts that have been presented in this document. The Committee further recommends that any intermediate tier be one that applies any funding reduction to both the Town and the PSB in proportion to what they have requested.**

It is worth noting that the Committee considered, but rejected, a fourth option which would put the full Town and Schools requests on the ballot with the tax levy increasing each year in line with the forecasted need in each of the next three fiscal years. This approach is consistent with prior Brookline overrides and therefore has the benefit of familiarity. However, by not immediately funding the full request of the Town, their override request would increase by $2.6M to [$7.9M], bringing the total override ask to $25.9M - a number the Committee was not comfortable recommending as an option.

While we recommend the Select Board place an override on the ballot in May that could fully fund the combined forecasted needs of the Town and PSB, **we condition that recommendation with the proviso that the Select Board respect the conditions the Schools Subcommittee stated in offering its support of the PSB override request.** Explained in greater detail herein, the conditions include a new Memorandum of Understanding (MOU), or a modification of an existing MOU, calling for the Town, School Committee, and the PSB to commit to undertake specified steps and collaborate to achieve a better cost structure and improve financial sustainability. The nine steps include matters related to benefits, compensation, organizational/operation structure, and compliance with contract terms, as well as other revenue and efficiency opportunities suggested by the Subcommittee.

We would also reiterate our statement above that taxpayers not be presented with an 'all or nothing' choice or a ballot question that effectively amounts to an 'all or nothing' choice.

In other words, the Committee strongly recommends Option 3. We believe that Brookline voters should have a choice in how and how much they agree to fund critical Town and School services, while also considering the implications to residents and the Town's financial status of a failed override.

Is (or why is) this Override Different than Past Overrides?

Brookline is a progressive and activist community with a highly educated resident base. It is a walkable suburb that has proximity to major employers, exceptional access to public transportation, quality open space, and an urban quality the uniqueness of which is hard to describe.

Town Meeting, which has ultimate control over Brookline's annual budget and its by-laws, has consistently approved actions and policies, many of which can be characterized as 'unfunded mandates'.

Brookline is widely and, we believe, accurately perceived to have an excellent school system. Understandably, parents of students or families with, or expecting to have, school-aged children evaluating Brookline as a place to reside keenly compare the PSB against several geographically comparable communities that also have highly regarded school systems.

Providing all the demanded Town and PSB services is expensive. And, while many people, both in Town and outside Town, view Brookline residents as exceptionally wealthy, the reality is more nuanced. It is this nuance which, combined with the state of the national and local economies, inflation, and the increase in tax burden over the last eleven years that make passage of this override more tenuous than past requests, and why the

Committee recommends a ballot question with at least three service/funding request options (minimally a choice of none, all, and at least one 'less-than-all' amount).

The section labeled 'Capacity to Pay' goes into great statistical and graphical detail in highlighting what may best be described as the 'unseen impact' of our choices and exogenous events since 2015. The key facts presented in the section are as follows:

1. Time periods between Brookline's operating overrides have compressed. Major tax increases have also resulted from debt exclusions, including almost three-quarters of a billion dollars for school facilities.
2. The full Town and Schools override 'asks', coupled with property tax increases already embedded for FY27-FY29, would result in property taxes increasing by over 18% from current levels over the next three years.
3. Brookline's average single-family property taxes[5] increased at a much faster rate than those of communities identified by PSB as similar school communities. Brookline's single-family property taxes increased by $12,627 (from $13,610 to $26,237) between FY15 and FY26, or 229% of the median increase of $5,524 in similar school communities.
4. Brookline's single-family property taxes increased by 93% versus a 64% median increase in the similar school communities, or a rate of increase 146% that of the comparable communities.
5. Property taxes on all classes of residential properties in Brookline (condominium, single-family, two-family, three-family and 4+ unit buildings) far outstripped the rate of inflation from FY15 to FY26, at 143% to 265% of the inflation rate for the various residential property types.
6. Even without an override, Brookline owners and renters are burdened by housing costs, with thousands already paying more than 30% and even 35% of their household incomes for housing according to 2024 American Community Survey calculations. The impact is particularly great among seniors age 65 and over.
7. Over 3,300 owners faced housing costs greater than 30% of their household incomes, and 2,800 greater than 35%. This included 1,250 seniors (27.2% of senior owners) paying more than 30% of their income for housing, and over 1,060 seniors (23.1%) paying more than 35%.

[5] Data provided by the Department of Revenue, or "DOR"

8. Over 6,650 renters (almost 47%) paid more than 30%, and over 5,300 (37.6%) more than 35%, of their household incomes for housing. The most senior Brookline renters faced the greatest burdens. One-half (49.9%) of senior renters – almost 1,000 -- pay more than 30% of their incomes for rent and utilities, with over 700 (38%) paying more than 35%.

The data from 2024 may not fully reflect tax increases from recent debt exclusions or the final phase of the last override.

Though we do not make a judgment, we would observe that the high cost of living in Brookline is leading to the disappearance of the Town's 'middle class'. Taxpayers and residents will be impacted differently regardless of the outcome of an override ballot question. Some residents, including people who have long lived here and others who have recently moved here for our public schools, may be forced to leave their homes. Alternatively, service cuts will result in others deciding to leave Town, and very deep service cuts could result in an exodus that will have negative consequences on the Town's property values (residential and commercial). This, again, is a reason the Committee strongly recommends a neutral ballot question with at least three service/funding request options.

Subcommittee Recommendations on Revenue and Expenditure Opportunities

Each subcommittee has identified possible revenue generating opportunities and possible operating efficiencies that should be pursued by the Town and PSB. Some of these recommendations have already begun to be explored. Others, if viable, will require years to bear fruit and may require an upfront investment by the Town. The benefits of many of the proposals and suggestions are difficult to estimate or forecast given the compressed time and limited information made available to one or more subcommittees. Nevertheless, if the Town and the Schools are serious about trying to reduce the frequency of overrides and/or minimize the level of future 'asks', there must be a commitment by the elected leaders on the Select Board and the School Committee to challenge the status quo, to evaluate options dispassionately with an open mind and to focus on the longer term 'greater good' versus short-term political expediency.

Schools Subcommittee Executive Summary

The Schools Subcommittee began work in October 2025, but with limited information on the PSB's three-year financials due to significant staffing constraints within the PSB central office. A strictly bottom-line forecast (meaning no details behind the data) for FY27-31 was shared on November 13th, 2025. An FY27-29 forecast by budget category was released on December 18, 2025, and refined on January 22, 2026. The FY27 PSB Budget Book was published on February 5, 2026 and a FY27 failed-override scenario was shared on February 26, 2026. A full failed-override scenario was shared with the School Committee on March 4, 2026.

The delay in obtaining detailed information and the capacity constraints within the PSB central office has limited the Schools Subcommittee's ability to "dive deep" into the PSB forecasts. Because this delay constrained the Subcommittee's ability to thoroughly analyze options related to a proposed override number until late February, the Subcommittee initially focused its efforts on areas it could analyze independently with limited data. The following recommendations, and the detailed Schools Subcommittee report later in this document, are scoped based on this effort and are therefore limited in analyses of the actual FY27-29 forecasts and impacts. All recommendations were voted on and approved by both the Schools Subcommittee and the full E&RSC.

Overall Schools Subcommittee Recommendation

There is skepticism among some Brookline residents about the financial management of the Public Schools. While this skepticism has a long history, it was exacerbated by several events including the funding shortfall in FY25, the initial budget gap of $8M+ in FY26 and related budgeting process, and the departure of a senior district leader who made accusations about financial mismanagement in the district. A subsequent review of PSB practices by the firm CliftonLarsonAllen in spring 2025 made findings and recommendations for improvements related to the budget, financial controls, special education, and the workplace environment. While the allegations from the former district leader were not substantiated, these incidents cumulatively have nonetheless negatively impacted community sentiment about the PSB.

We appreciate the extraordinarily difficult circumstances Superintendent Wong inherited when she arrived in July 2025. Like many in the community, we were relieved when Ms. Wong agreed to come out of retirement and committed to leading the PSB for four years. We are also encouraged by the individuals Ms. Wong has to date added to the district's senior leadership team. This team has demonstrated an ability to make difficult decisions, be open-minded, and to think creatively with an eye to the future. These qualities are

evidenced in the proposed FY27 budget which includes a net reduction of 22.1 FTE (as of February 26, 2026) to right size staffing due to lower enrollment numbers, and by opening the district's special education programs to tuition-paying students from other communities. The latter has been discussed, but not acted on, for a number of years and was raised early on by this Subcommittee. Our overall recommendation seeks to address not only the question of an override to cover financial gaps in the PSB FY27-29 budgets, but also to ensure that the Schools are working towards an improved cost structure over the next three years and beyond.

We are sympathetic to the plight of the Schools and are prepared to support an override request. However, we can only recommend an override to the Select Board if the Town, School Committee, and the PSB commit[6] to the Select Board that they will undertake the following efforts to achieve a better cost structure, improve financial sustainability, and thereby help rebuild community confidence in the School Committee and the PSB at the end of this override cycle. This list includes topics on which we have conducted and published analysis within this report, as well as topics that have been discussed during Schools Subcommittee public meetings.

1. Collaborate with Town administration to negotiate a reduced healthcare premium contribution by the Town for Town and PSB employees, to align this contribution with that of comparable communities by end of calendar year 2028.
2. Create an approach through which the Schools manage wage expenses to a level approaching projected year-over-year revenue growth, including considering caps on wage increases or other creative contractual terms.
3. Evaluate an updated school model, including a possible middle school model or more robust classroom consolidation with possible redistricting, starting in FY27.
4. Complete the work included in the Town/School MOU from October 2025 with respect to using MUNIS as the town-wide financial system of record in partnership with the Town Finance department. PSB and the Town should work together to resolve any gaps needed to ensure that PSB can use MUNIS effectively by the end of fiscal 2027.
5. Ensure teaching assignments align with contractual terms, while maintaining necessary student support programming. Given time constraints, The E&RSC

[6] The commitment should be a formal one and made via a Memorandum of Understanding or by amending an existing Memorandum of Understanding.

Schools Subcommittee was unable to determine if all teachers are currently working to the level of the contract.

6. Evaluate cutting additional technology leases (e.g. by moving to shared Chromebooks or less online work overall) and educational technology subscriptions, especially in lower grades, after considering impact to educational objectives at each grade level.

7. Agree that all third-party users of space in school buildings between the hours of 7:00 AM and 5:30 PM enter into rental agreements with the PSB using its best efforts to negotiate fair market rates, including reimbursement for maintenance and utility costs. If an organization intends to utilize space after 5:30 PM then, as long as such space is not suitable for usage for athletic or recreational purposes, the lease agreement can reflect and allow the continuation of usage after 5:30 PM. Notwithstanding the above, if a third-party user is an independent 501-c(3) organization formed specifically for the purposes of providing after school 'extended day' services available only to then current students of the PSB or other children that are residents of Brookline, then the rent charged need not be at fair market value.

8. Commit to conducting a pilot in partnership with the Town to test a more coherent model of facilities governance and youth athletics coordination.

9. Agree to review BEEP financials and work to bring the Revolving Fund portion of the program to a level as close to break-even on a full-cost allocated basis, including salaries, benefits and charges for administrative overhead, facility maintenance, depreciation, and debt service, if applicable and as the market will support.

Summary of Recommendations by Subcommittee Workstreams

Below are summaries of all the recommendations made by the Schools Subcommittee and voted on by the Subcommittee and the full E&RSC. Full reports can be found in the Schools Subcommittee Report section of this document.

Cost avoidance/reduction recommendations

1. Medical insurance premiums. Medical insurance premiums have been identified as a "budget buster" for the Town and PSB. The 83% employer share of medical insurance premiums paid by the Town and PSB is one of the most generous of comparable communities. Reducing Brookline's contribution rate to a level in line with similar communities would result in savings of millions of dollars per year, permitting a smaller override and increasing the likelihood that an override will be palatable to the voters. The

Select Board should consider an override amount that is calculated based on a reduced medical insurance premium employer contribution rate, with an effective date by which savings from that reduced rate would be expected to be realized.

2. School employee compensation. Approximately one-half of PSB educators receive "step" increases in addition to contractual cost-of-living increases. The impact of steps increases actual salaries by an amount well beyond the nominal cost-of-living (COLA) increase and actual inflation. The compensation elements that have been analyzed (base compensation, health benefits, teaching load) indicate that Brookline's total package compares favorably to comparable communities, with the median salaries for Brookline educators landing thousands of dollars more than the median salaries in comparable districts, with the single exception of long-term educators with doctorate degrees. In addition, the employer contribution rate for health insurance in Brookline (83%) exceeds that of other communities, and Brookline High School educators are required to teach only four courses per day, with one other assigned period, a teaching load that is no more, and often less demanding than comparable school districts. The current salary structure including the impact of "step" increases in addition to nominal COLA increases, along with other costs such as health insurance that are increasing over time, are now and will be, unsustainable over time without a cycle of repeated overrides. While the goal is to compensate Schools (and Town) employees competitively, this must be done in a manner that is sustainable over time without the expectation of continuing overrides.

3. Unreimbursed special education costs for non-resident students. Brookline currently subsidizes the "home" or "sending" districts for non-resident (Materials Fee and METCO) students attending Brookline schools, as those "home" districts provide no reimbursement for the cost of Special Education services that Brookline is providing. The State has also refused to provide reimbursement to Brookline for Special Education costs for METCO students. Brookline reported direct costs of approximately $30,000 per in-district Special Education student in the 2023-2024 school year, or approximately $28,000 if in-district Special Education transportation costs are not included. Even at the $28,000 figure from two years ago, the direct per student in-district Special Education costs would amount to approximately $4 million for the 144 non-resident students who receive Special Education services. The Public Schools have been unable to provide any other calculations of the cost of providing Special Education to non-resident students, raising questions for further analysis. The fundamental question is the extent to which Brookline can and should continue to subsidize the "home" districts of non-resident students. At a minimum, Brookline should collaborate with other communities participating in METCO, and particularly Lexington and Newton, to lobby at the State level for additional funding to

offset costs that are being shifted from the students' "home" districts to "receiving" districts such as Brookline.

Revenue recommendations

1. Facilities rentals: The Subcommittee recommends that the Town explore a defined pilot program beginning July 1, 2026, running through June 30, 2027, to test a more coherent model of facilities governance and youth athletics coordination. The pilot would allow the Town to test a better system in a controlled, data-driven way, demonstrating whether improved governance can simultaneously strengthen youth development, reduce fragmentation, and improve fiscal stewardship. If successful, the model could be expanded to non-recreation facilities such as parking or even general building usage. The pilot would 1) include one or two school facilities, 2) prioritize Brookline youth and schools while transparently managing external and adult use, 3) track utilization, revenue, equity of access, and community outcomes, and 4) via agreement, ensure the needs of the PSB with respect to building control during the school day, ability to reserve space for school events, and securing building space during off hours.

2. BEEP tuition analysis: Based on the analysis of the BEEP full day and extended day programs, their costs and revenues, and comparable public and private preschool programs presented in this document, it is the sub-committee's recommendation that the Brookline School Committee (SC) and the Public Schools of Brookline (PSB) deeply review the tuition being charged for both full and extended day programs, as the programs are offered for less than market rate, as well as less than the cost of the program itself. In addition, it is the subcommittee's recommendation that the SC and the PSB raise the tuition charged for BEEP Extended Day to cover costs or find a less expensive way to provide services.

Other analysis and recommendations

1. Town-school financial model. We recommend that the Select Board establish a Financial Model Study Committee to more thoroughly research and justify any refinements to the Town/School financial model. Based on the limited work done on this topic to date by the E&RSC and that data we have reviewed, we recommend that the Financial Model Study Committee should 1) validate the current model by evaluating an alternative, 2) reassess which categories are 'above the line' and 'below the line', 3) establish clear working relationships across town departments via MOUs, 4) evaluate full consolidation of certain departments within the Town or School organizations, and 5) evaluate the utility of establishing a Special Education reserve fund to help manage the increasing and unpredictable costs of special education in the PSB budget.

2. CLA report follow-ups. Since a) the Town/School MOU did not cover all the recommendations included in the May 2025 CLA report, and b) the E&RSC School subcommittee does not have the expertise and capacity to independently verify the that these recommendations have been addressed, the Schools Subcommittee recommends that an independent, third party follow-up review be conducted. The goal of this review is to validate that the issues identified during the May 2025 CLA report are addressed and to increase Brookline voter confidence that that critical changes are being made by the PSB administration. The Subcommittee also recommends that School Committee document training policies for employees who are authorized to make purchases on behalf of PSB in its Fiscal Policy before approving the final policy (currently docketed for March 19th, 2026). In addition, the E&RSC Schools Subcommittee suggests to the Select Board that 1) the Town-School Partnership (TSP) evaluate whether issues that were raised but not included in the 2025 CLA scope of work still merit review, 2) the Select Board and TSP should obtain assurances that the steps outlined in the MOU continue as best practices to ensure transparency and a closer formal relationship that will transcend current staff, and 3) TSP should consider requesting a standing budget line item from Town Meeting to undertake emergency reviews such as the CLA report in a timely manner.

3. Enrollment forecast policy. Retrospective methodologies contributed to Brookline being caught off-guard by the prior (pre-COVID) enrollment boom. The subcommittee does not believe the PSB can, or should, rely solely on the methodology it currently employs and that it needs to both use the longer-term demographic/enrollment forecast provided by third-party consultants in 2019 and 2023 for “what-if” scenarios/planning, and, if possible, incorporate some of the assumptions into its short-term models. The previous firm, Cropper-McKibben, or another similar vendor should also be retained on a routine (every 3 years) basis to update the long-term forecast. The subcommittee understands that the School Committee and PSB staff have discussed this and reached the same conclusion, though to our knowledge no firm has yet been retained. Our recommendation is that the PSB commit to this recommendation, via School Committee policy.

Town Subcommittee Executive Summary

Brookline FY2027 Structural Budget Gap & Override Proposal

Brookline faces a recurring structural budget deficit driven by the mismatch between limited revenue growth and rising fixed costs. Property taxes account for approximately 79% of operating revenue but are capped under Massachusetts law at 2.5% annual growth plus new development. Over time, this constraint has prevented revenues from keeping pace with inflation, contractual wage increases, healthcare costs, pension obligations, and debt service.

Although the Town has made repeated budget adjustments — including staff eliminations, deferring capital improvements, reducing Free Cash allocations, and restructuring services — ongoing expenditures continue to outpace available revenue.

Key Cost Drivers

- **Employee Compensation:** Contractually negotiated salary increases, particularly in public safety departments, along with longevity steps and arbitration outcomes
- **Fire Department Overtime:** Persistent overtime exceeding budgeted levels by roughly $800,000 annually
- **Inflation:** Rising costs for utilities, road maintenance, IT licensing, and contracted services

Revenue Constraints

- Limited property tax growth under Proposition 2 ½
- Slowing new development
- Declining cannabis and permitting revenue
- Expiration of federal ARPA funds
- Potential loss of federal grants

FY2027 Override Proposal

To maintain existing municipal services and close the projected FY2027 deficit, the Town Administrator proposes a **$5.31 million operating override**, equal to approximately a 1.6% increase in the tax levy.

The override would:

- Close the FY2027 structural deficit

- Fund public safety contractual obligations
- Stabilize Fire Department overtime funding
- Restore six police positions
- Support enforcement of the Tree Canopy bylaw and replace contracted horticultural services with in-house staff
- Support Sustainability Positions to generate grant revenue and facilitate installation of rooftop solar to reduce electricity costs
- Replace expiring federal funding for IT licenses
- Maintain senior transportation services
- Create a stabilization reserve to buffer FY2028–FY2029 risks

The proposal funds the full amount in FY2027 to create financial flexibility in subsequent years.

Consequences Without an Override

Failure to pass the override would likely result in:

- Permanent elimination of police positions
- Possible temporary fire company closure.
- Reduced service levels in Planning, Council on Aging, and other departments
- Postponed technology upgrades
- Additional firefighter and staff reductions in future years

Conclusion

The Subcommittee concludes that an Override is necessary to preserve current service levels, meet contractual obligations, and maintain fiscal stability. Without it, significant service reductions and workforce cuts would be required beginning in FY27 and escalating in subsequent years.

Future Subcommittee Executive Summary

The Future Subcommittee tackled ideas, policy concepts, and recommendations that were expected to require a longer period of time to implement than the customary 3 year window of recent Brookline Operating Overrides, but were deemed important opportunities for the Town and Schools. As a result, there is overlap between the Town and Schools Subcommittees work and those of Future, with, as noted above, the primary distinction being the time horizon believed necessary to implement and for the Town and Schools to see benefits. Nevertheless, it should be noted that the Solar Initiative and the Electric Demand Management Strategy, both aimed at Expenditure Reduction, are in fact likely to begin having a positive impact within the 3 year window. Below is a summary of the recommendations coming from the initiatives undertaken by the Future Subcommittee.

Expenditure Reduction Recommendations:

1. Solar Initiative: The Select Board should approve the Sustainability Division's planned $3.2M Solar Initiative outlined in the Sustainability Director's Memo of 1.22.26. This initiative is viewed as the first step of a continuing solar investment program for the Town. The program offers an excellent way to gain some control over the Operating Budget and the ever-increasing growth in the amount of electricity consumed and the cost per kWh. It promises to supply an additional 13% of the current usage and therefore an annual cost avoidance of approximately $390,000. We believe the program will be a significant contributor to the Town's net-zero carbon footprint goals.

2. Electric Demand Management Strategy

To better control the Town's electricity costs, the Committee recommends the Town evaluate, and if deemed viable, institute techniques to mitigate peak load charges including, but not limited to:

1. Shedding or spreading loads by controlling when certain pieces of equipment are allowed to turn on. An example would be delaying a large motor or compressor from turning on if several other large pieces of equipment are already running.
2. Employing a battery system that is charged up during non-peak load periods (i.e., perhaps at night or over a weekend, or from a solar array) and then using that stored energy to run equipment, thereby reducing demand for electricity from the utility. In this regard, the Committee recommends the SB have the Town Administrator instruct the Sustainability Division and the Director of Town Buildings, in coordination with ZEAB, investigate PPA Battery systems providers and seek their evaluation of the opportunities and the costs associated with this type of initiative.

3. School Model Analysis

The School Model Analysis evaluated whether redistributing students across the PSB's existing school buildings could enable an improved cost structure by increasing class sizes within PSB guidelines, while also minimizing potential new costs such as a) transportation and b) retrofitting building space for specialized needs such as science labs. Based on the analysis completed, the Committee believes there is enough cost savings opportunity through classroom consolidation that, whether it is considered as part of a middle school model or more broadly, the School Committee and PSB should explore how to begin a study on this topic in FY27. The Schools Subcommittee also believes that there may be an opportunity to revisit and expand the existing buffer zones to create cost savings at a smaller scale by enabling more classroom consolidation.

Revenue Enhancement Recommendations:

1. Economic Development Plan

The Committee recommends that the Select Board undertake the following changes in its economic development policies.

Leadership and Staffing:

A. The Select Board should identify a member to be primarily responsible for liaising with the Planning Department and various boards and commissions (permanent or temporary) involved with Economic Development. This individual should be independent from any of the Town's land-use advocacy organizations.

B. The Town Administrator should evaluate how the Economic Development and Long-Term Planning division is organized and staffed and its priorities.

C. The Committee recommends evaluating the benefits of elevating the economic development function to one that reports to the Town Administrator.

D. The Committee recommends the named Select Board member, along with staff, develop relationships and have consistent dialogs with major property owners and developers active, or seeking to be active, in the Town.

Education and other recommendations

A. The Committee recommends the Select Board request that some combination of the Planning Department, EDAB, the Advisory Committee and staff prepare educational presentations on the fundamentals of the Town's financial position and policies, economic development and zoning. These presentations would be

periodically offered and provided, as appropriate, to the Select Board, relevant Boards and Commissions, and Town Meeting members.

B. The Committee recommends that the Select Board urge the Steering Committee of the Comprehensive Plan seek consensus and identify geographic areas that the community can agree upon in advance for locations for increased commercial development, affordable housing and similar uses important to the social and financial well-being of the Town.

C. The Committee recommends that immediately upon completion and acceptance of the Comprehensive Plan, the Select Board instruct the Town Administrator to implement a systematic effort to revise the Zoning By-Law to reflect agreed changes to geographic districts where additional densities and specific uses have been agreed to.

D. The Committee recommends allowing the Planning Board to grant Special Permits at small and intermediate scale without referral to the Zoning Board of Appeal, as, for example in the class of cases under *Deadrick* (1-2 family only), where the Chapter 40A section 6 standard is to determine whether the change is "...not significantly more detrimental to the neighborhood".

2. OPEBs Funding Policies: The Committee voted to recommend the Select Board take steps outlined below:

A. That the Select Board does not lock itself into the September 2025 OPEB policy document.

B. That the Select Board appoint a study committee to evaluate the OPEB funding policy no later than January 2027, to evaluate (but not be limited to) the following ideas:

   i. Whether in 2031, the OPEB contribution for 2030 should be increased by an amount equal to the sum of any previously deferred contributions increased by the total rate of return that would have been earned if such deferral had not taken place.

   ii. The Select Board should modify its OPEB policy to institute, consider, or address the following:

      a. Establish a date certain for full funding of the OPEB unfunded liability over a time frame similar to the period used to eliminate the Town's pension liability

b. Create a funding policy consistent with the goal outlined above subject to limiting the annual contribution to the greater of the FY30 contribution, as adjusted above, or a defined percentage of the prior year total tax levy (excluding debt exclusion and CPA taxes)

c. Consider using a portion of the funds that would be freed up by a modification of the policy to address one or more of the following:

    i. Bring the Town's percentage funding of its reserves into the top decile of Massachusetts Aaa related communities

    ii. Any other Town fiscal objectives

C. The Committee further recommends that any adjustment to the OPEB policy recommended by the study committee referenced above be subject to discussions with Moody's and the Town's financial advisors and depend on the conclusion that any modification would not meaningfully impact the Town's credit standing in the view of Moody's.

II. Background and Introduction

Summary of E&RSC's Charge

The Expenditures & Revenues Study Committee was created in March 2025 by the Brookline Select Board (SB) to assess Brookline's financial health and to make recommendations to the SB regarding expenditure reduction and revenue increasing opportunities, as well as a possible override ballot question for the May 2026 election.

The members of the E&RSC include the following:

Bernard Greene, Chair and Select Board Appointee
Dick Benka
Ruth Ellen Fitch
Janet Gelbart
Sadaf Kazmi
Sergio Modigliani
Jeff Rudolph
Sarah Moghtader, School Committee Appointee (May 2025 - September 2025)
Mariah Nobrega, School Committee Appointee (September 2025 - March 2026)
John Doggett, Advisory Committee Appointee
John Van Scoyoc, Select Board Alternate
Jesse Hefter, School Committee Alternate
Cliff Brown, Advisory Committee Alternate

The Town Administrator's Office (Charles Carey, Town Administrator; Melissa Goff, Deputy Town Administrator; Charlie Young, Assistant Town Administrator for Finance), Lincoln Heineman, the Town Finance Director, and Ann Braga, Human Resources Director, Superintendent Bella Wong, and Assistant Superintendent of Finance and Administration Susan Givens, all provided significant support to the E&RSC in its work.

Focus Areas and Subcommittees Overview

In October of 2025, a decision was made to divide the E&RSC's members into three subcommittees: Town, Schools, and Futures in order to focus on a subset of the areas to be evaluated by the E&RSC.

The Town subcommittee, composed of 5 members (Jesse Hefter-Chair, John Doggett, Ruth Ellen Fitch, Janet Gelbart, and John Van Scoyoc), was tasked to with 1) collecting information about Brookline's financial health, 2) explaining the set of challenges that the Town faces as we look at the FY27 budget, and 3) making a set of recommendations to the whole Study Committee for the next steps.

The Schools subcommittee, composed of 5 members (Sadaf Kazmi-Chair, Dick Benka, Cliff Brown, Mariah Nobrega, and Jeff Rudolph) was tasked to look at the Schools Budget, assess the District's key cost drivers, and evaluate additional revenue opportunities.

The Future subcommittee, composed of 5 members (Sergio Modigliani-Chair, Cliff Brown, Sadaf Kazmi, Val Frias, and Select Board Chair Bernard Greene), was tasked with identifying significant revenue opportunities and operational efficiencies that were unlikely to have a meaningful impact over the FY27-FY29 time frame.

Brookline's Structural Deficit

Brookline has a 'structural deficit' because its revenues, an overwhelming majority of which are statutorily limited, grow at a slower rate than its expenses, none of which have legal limits. Property taxes account for roughly 79.4% of Brookline's operating revenue but can only be increased by 2.5% of the prior year's levy plus any new growth.[7] On average, the base Brookline levy increases by about 3% per year. Other revenue sources, primarily local receipts (e.g. parking fines, hotel room tax) and state aid are variable, hard to forecast, and have been relatively flat in recent years. Over the last 25 years, the dollar value of the Town's annual budget available for appropriation has grown at just over 4% in nominal terms, and just over 1.5%, adjusted for inflation.

Both the Town and the PSB have difficulty maintaining existing service levels given the annual revenue growth the Town achieves. Many expenses are beyond the Town's or the Schools' direct control. Employee benefits, consisting mainly of mandatory pension contributions and health insurance costs, amounted to 21.9% of the operating budget in 2026, are projected to grow to 22.8% in 2027 and are absorbing most of the 2 ½% increase in property taxes in 2027. Salaries, utilities, software maintenance, and road maintenance have also been subject to inflationary pressures. Debt service (principal and interest payments) have also increased dramatically from $10.6M in FY18 to $49.4M, an increase of 37% per annum over the period over the past ten years. Too, town meeting often adds programs and services without identifying revenue sources, and residents expect high quality services and an excellent school system. All of these contribute to the structural deficit.

The existence of the structural deficit is why Brookline keeps coming back to voters to approve revenue increases above and beyond Proposition 2 ½ limits.

The Town-School Partnership

Many of the pressures facing our municipality weigh on both the Town and the Schools. It is important for residents and taxpayers to understand these matters so they may parse the narrative that may very likely develop in the coming months. That understanding requires an appreciation of Brookline's Town-School Partnership and how the Town's revenue flows through the Partnership and gets allocated to the Public Schools of Brookline and the Town.

The Town-School Partnership ("TSP") was created in 1994 to provide a mechanism to allocate revenues and expenses in a consistent manner from year to year with the goal of eliminating contentious budget decisions being made on the floor of Town meeting. The agreement between the Town and the Schools included definitions and specific guidelines and rules for how to treat 'shared services' several other categories of expenses. The Town and the Schools each have demands that need to be met via the allocation of scarce

[7] Debt exclusion taxes, which comprise about 10% of total taxes are not included in the calculation of revenue subject to Proposition 2.5 as they cannot be increased.

resources and the formulas contained in the original agreement have been modified over the years.

How does the Current TSP Financial Model Work?

From its inception, the TSP revenue sharing model embraced a philosophy of defining 'shared non-departmental fixed costs'**. Expenses falling under this definition are deducted from the Town's total revenue before any revenue is allocated to the Town or the Schools**. Such expenses have been deemed 'above the line' costs. In FY27, Brookline's total revenue (after deducting Enterprise revenue) is forecasted to be about $440 million. The Shared costs are forecasted to be about $194.5 million. **The remaining 'below the line' revenue (approximately $246 million in FY27) is what is divided between the Town and the PSB to fund their respective operations**. In FY27, that revenue, after some minor revenue adjustments and shared cost assessments[8], is split 41.2% to the Town and 58.8% to the Schools. This is what the formula looks like:

	TOWN	SCHOOL
Begin with FY27 Total Projected Revenue	**$440,247,086**	
Subtract Shared Non-Departmental Fixed Costs (see Below)	($194,454,233)	
Total Available for Departments	$245,792,853	
Apply FY26 Town-School Split (current year split percentage)	40.90%	59.10%
Unadjusted Revenue Split	$100,559,172	$145,233,681
FY27 Adjustments for assessments and other changes		
Shared Costs Assessment - Building, IT, Munis, Payroll, General Insurance	$518,540	($518,540)
Revenue Adjustment - Sanitation	$107,985	($107,985)
Revenue Adjustment - Parking Fines	$73,860	($73,860)
Total FY27 Revenue for Town and Schools	**$101,259,557**	**$144,533,297**
Final numbers become new percentage split for FY28	41.20%	58.80%

The detail on shared costs for FY26 and projected for FY27 are as follows:

[8] Revenue adjustments are $108,000 for Sanitation (to reimburse for expenses paid by the Town and $74,000 for parking fines while Shared Cost Assessments charged to PSB from the Town total $518.500 and include costs for Buildings, Information Technology, Munis, Payroll and General Insurance. These costs are carried within the Town budget and any growth in the school-related portion are charged to the Schools.

Shared Non-Departmental Fixed Costs	**FY26**	**FY27**	**$ Chng**
Non-Departmental - General	$ 8,554,977	$ 8,642,532	$ 87,555
Non-Departmental - Debt Service	$ 43,467,385	$ 49,425,313	$ 5,957,927
Non-Departmental - Reserve Fund	$ 3,415,094	$ 3,570,679	$ 155,585
Non-Departmental - Special Appropriations	$ 20,045,169	$ 21,671,104	$ 1,625,935
Non-Departmental - Non-Appropriated	$ 11,669,041	$ 10,792,034	- $ 877,008
Non-Departmental - Benefits	$ 90,794,899	$100,352,572	$ 9,557,673
Total	$177,946,566	$194,454,233	$16,507,667

The $194.5 million shared expenses for FY27 take up approximately 44% of the Town's total revenue. **Benefits alone comprise approximately 23% of total revenue.** They are $16.5 million higher than FY26, **94% of which are for increases in benefits and debt service.** The Town's FY27 total revenue of about $440 million is about $20.6 million greater than FY26, $6.8 million, or 33%, of which is allocated to cover increases in excluded debt. This means there is only a $4.1 million increase in revenue after shared expenses to divide between the Schools and the Town.

Town and PSB Cost Drivers and Override Request

The TSP discussion covered shared expenses and allocation of revenue after those costs are deducted. Wages and benefits comprise the overwhelming majority of costs and cost increases in Brookline. There are some differences between the Town and the PSB in wage agreements and there also are matters unique to the Town or the Schools that impact their respective cost structures. Some of these matters are discussed below along with steps taken to manage expenses in the current environment leading to the override requests for each.

Unique Drivers of Town Expenses, Efforts to Control Costs, and Override Request

As the community's needs have grown, Town Meeting has passed resolutions requesting additional services. These resolutions, though legally non-binding on the Select Board and staff, have been treated as if they were binding. As such, when passed they essentially

become unfunded mandates[9], requiring the diversion of resources expected to be used elsewhere, additional responsibilities on existing staff that dilutes the ability to address everything staff is responsible for, asking the voters for additional funds through overrides, or attempting to locate funding through soft money (grants/gifts) which are temporary sources requiring resource allocation decisions at a future point in time. These initiatives may add only incrementally to explicit costs but by increasing the administrative burden on existing staff, they result in dilution of effort, undermining staff's ability to adequately address all responsibilities. The impact of unfunded mandates is addressed in more detail in the Town Subcommittee report.

As seen below, the COVID period and the tight fiscal situation has forced the Town to ping-pong between reducing staffing and restoring staffing (when feasible). This creates a difficult environment in which to operate and plan.

Town Budget Reductions and Restorations from FY2021 to FY2026

Town Department	*Brief Summary*	*COVID Reductions FY2021*	*Reductions FY2025-2026*	*Cumulative Reductions FY2021-26*	*Total Amounts Restored*	*Net Reductions (Funds Cut and Not Restored)*	*Moved onto Soft Money1 (ex. grants)*
Select Board2	*Admin staff, recruitment, hybrid meetings*	(37,514)	(70,000)	(107,514)	30,000	(77,514)	70,000
Human Resources	*Salary surveys, medical professional services*	(44,300)	(10,000)	(54,300)	-	(54,300)	-
Information Technology	*Cybersecurity, software, intern program*	(43,975)	(46,300)	(90,275)	-	(90,275)	-
DEICR	*Special events, programs, translation services*	(23,750)	(10,000)	(33,750)	-	(33,750)	-
Finance Department	*Software fees, staff vehicle replacement*	(188,160)	(30,000)	(218,160)	17,500	(200,660)	-
Legal Services	*Outside counsel, interns, settlements*	(106,140)	(20,000)	(126,140)	-	(126,140)	-
Town Clerk	*Elections costs, overtime, supplies*	(9,750)	(150,000)	(159,750)	150,000	(9,750)	-
Planning3	*Planning studies, personnel*	(125,423)	(131,000)	(256,423)	125,423	(131,000)	27,000
Police	*Six police officers, equipment, cruisers*	(772,413)	(508,000)	(1,280,413)	91,586	(1,188,827)	-
Fire	*One position, staff vehicle, supplies/equipment*	(424,894)	(64,500)	(489,394)	78,641	(410,753)	-
Building	*Building repair and maintenance, staff vehicle*	(261,980)	(98,500)	(360,480)	242,394	(118,086)	-
Public Works	*Personnel, technical services, capital, supplies*	(676,647)	(50,000)	(726,647)	463,650	(262,997)	-
Library	*Personnel and supplies*	(388,535)	-	(388,535)	388,535	-	-
Health	*Programs, events, staff vehicle*	(30,000)	(25,053)	(55,053)	-	(55,053)	-
Veterans' Services	*Benefits, intern program*	(34,600)	(30,000)	(64,600)	-	(64,600)	-
Council on Aging	*Personnel*	(94,037)	-	(94,037)	94,037	-	-
Recreation4	*Personnel*	(110,934)	(7,500)	(118,434)	-	(118,434)	118,434
Town-wide/Unclassified	*Computers, utilities savings, group health*	(235,590)	(23,755)	(259,345)	235,590	(23,755)	-
TOTAL REDUCTIONS/RESTORATIONS		**-$3.609 M**	**-$1.275 M**	**-$4.883 M**	**$1.917 M**	**-$2.966 M**	**$0.215 M**

(1) Soft money refers to items funded on grants, capital, or enterprise and revolving funds, or those that are one-time or vulnerable in nature.
(2) $70k for part-time staff and hybrid meeting support continued on shortly expiring Host Community Agreement (HCA) and American Rescue Plan Act (ARPA) funds
(3) $27k for salaries moved onto Community Development Block Grants (CDBG) in place of other CDBG expenditures
(4) $118k for salaries moved onto Recreation Revolving Fund

The Town is proposing additional staff reductions even if an override passes. The following is a list of the reductions the Town Administrator has identified:

[9] It is for this reason the Brookline Fiscal Advisory Committee recommended the Select Board refrain from maintaining this philosophy.

Proposed 2027 Budget Cuts			
Department	**Item**	**FY27**	**FTE**
Clerk	Elections	100,000	
Fire	Personnel	90,500	1.0
Health	Personnel	88,000	1.0
HR	Services	36,000	
Planning	Personnel	78,500	1.0
Police	Personnel	50,000	1.0
Rec	Personnel	73,500	1.0
SB	Services	30,000	
OPEBs	Level Funding	100,000	
CIP	6% instead of 6.6%	876,000	
	Benefits	45,000	
	Total	**1,567,500**	**5.0**

Despite these reductions, the Town Administrator believes the Town has reached a point where it feels it must request additional funds to maintain the current level of services and to deal with some collective bargaining matters and to address some critical and chronic issues. The request does not come close to meeting the increased funding sought by departments to enhance, expand or rectify identified operation concerns.

The Town's $5,310,000 proposal for the override is summarized below and is discussed in more detail later in this report.

Proposed Municipal Departments Override			
Dept	Item	Recommendation	
(multiple)	Continuity of Service	$	1,245,000
FIRE	New Contract	$	910,000
FIRE	Overtime Deficit	$	800,000
DPW	Roadways and Sidewalk Improvements	$	625,000
POLICE	Restorng 6 Officer Positions (end hiring freeze)	$	600,000
(multiple)	Collective Bargaining Reserve	$	350,000
POLICE	Case Management Software, Command Staff Salary	$	300,000
COA	Senior Center Transportation &Admin Support	$	175,000
BUILDING	Building Maintenance/Tradesperson Staffing	$	150,000
IT	Federally Funded Licenses Contination	$	125,000
CLERK	Senior Clerk-Typist to full time	$	30,000
	Subject to Review and Approval	**$**	**5,310,000**

Unique Drivers of School Expenses, Efforts to Control Costs, and Override Request

The Schools Subcommittee was not provided with detailed information on the budget and the override request of the PSB in sufficient detail and time to allow it to conduct a thorough review. Resource and senior personnel constraints within the PSB and the budget process adhered to by staff and the school committee placed the subcommittee in a

difficult position. While we understand the reasons behind the situation the fact remains it has impacted on our ability to do analytical work on the PSB budget. As such, the information presented here is gleaned from PSB presentations and its budget summary (see Appendix: PSB Budget Summary), with some editorial comments, but without the level of scrutiny the subcommittee desired to provide to a deserving community. **All figures in this section are current as of February 26, 2026, and have not been updated to include the reductions to GIC costs made on March 13, 2026.**

As is now well known, approximately 85% of the PSB's revenue allocation goes towards compensation. In its report, the subcommittee highlights that the compensation cost structure has embedded features that almost guarantee the operating costs of the PSB will increase at a rate faster than the Town's revenues grow. This would be the case even if the PSB did not add any new programming.

In FY27, the situation for both the Town and the PSB has been impacted by increases in certain expenses over which they have no control. This has meant lower growth in their respective allocations after deducting shared costs. The revenue allocation experience for the PSB over the past several fiscal years and as forecasted for the next three fiscal years are shown below in **Table 1**.

Table 1: Revenue Allocation and Forecasted Increases

(In $000)

	FY24	FY25	FY26	FY27	FY28	FY29
Revenue Increase	$ 7,308	$ 5,816	$ 5,945	$ 1,741	$ 5	$ (505)
% Revenue Increase	5.9%	4.4%	4.3%	1.2%	0.0%	-0.3%

The initial budget information released to the public on November 13, 2025 showed a FY27 budget of $155.6 million, a 9% increase from FY26 and subsequent increases of 4% and 5% in FY28 and FY29 respectively. As of February 26, 2026, the FY27 budget had been pared to $149.8 million, a 4.91% increase with subsequent increases of 3.7% and 4.7% for FY28 and FY29 respectively.

With the forecasted increases in the PSB's share of revenue after shared costs and assessments not increasing sufficiently to meet the budget increases, the PSB is facing a projected shortfall of $5.3 in FY27 and a three-year projected shortfall of $18.5 million. As shown in **Table 2**, the PSB is forecasted to receive a lower absolute dollar allocation from revenues after shared costs and assessments in FY29 than in FY28:

Table 2: Forecasted Town Allocation FY27-29

	FY27	FY28	FY29	3-year gap
PSB budget 02.26.26	$149,801,901	$155,314,303	$162,571,740	
PSB Town Rev. Allocation 02.11.26	$144,533,297	$144,538,567	$144,033,053	
Increase ($) from prior year allocation	$1,740,706	$5,270	-$505,514	
Increase (%) from prior year allocation	1.22%	0.00%	-0.35%	
Funding Gap	$5,268,604	$5,507,132	$7,762,951	$18,538,687

If PSB did not have a rolling structural deficit of $1,943,064 and the Town revenue allocation was consistent with prior year averages, the funding gap would be minimal, requiring a minimal override. However, given the current forecasted overall revenue allocation from the Town, **the Schools total override ask is a total of $18.5M over three years.**

The staffing for the proposed FY27 budget represents 22.1 net fewer FTE than FY26 (20.7 net reduction in initial budget request with 2.4 added on February 26, 2026, as shown below in **Table 3**. The reductions were carefully identified to reflect changing enrollment needs and spread broadly across all schools, all grade levels and district offices to avoid detriment to service. The personal impact of the reductions will be mitigated in many, but not all, cases by impending retirements and vacancies that will remain unfilled.

Table 3: Full-time equivalent (FTE) modifications to FY27 budget compared to FY26.

District	Human Resources Specialist	-1.0	Optimization (OAF reorg)
	Finance Director	-1.0	Optimization (OAF reorg)
	Budget Analyst	-1.0	Optimization (OAF reorg)
	Sustainability Coordinator	-1.0	Reduction
	Comptroller	+1.0	Optimization (OAF reorg)
	Director of Data & Info. Systems	+1.0	Optimization (OAF reorg)
	Head Clerk	+0	Optimization (OAF reorg) (-1 OTL, +1 OAF)
	Subtotal	**-2.0**	
Pre-K-8	K-5 Classroom Staff	-8.0	Enrollment adjustment (-13, +5)
	Guidance Staff	-0.8	Enrollment adjustment (-1, +0.2)
	Educational Technologists	-4.0	Reduction in service
	Special Education Staff	-0.9	Enrollment adjustment
	Subtotal	**-13.7**	
BHS	Librarian	-1.0	Reduction in Service
	Special Education Staff	-2.0	Enrollment adjustment
	Secretary	-1.0	Optimization
	Administrator	-1.0	Reduction in service (added 2/26/26)
	Classroom Staff “+1”	-1.4	Reduction in service (added 2/26/26)
	Subtotal	**-6.4**	
TOTAL DISTRICT REDUCTIONS		**-22.1**	

In addition to the elimination of 22.1 net FTEs, the $5.8 million reduction in PSB's FY27 budget since November includes the following organizational changes and reductions in other expenses shown in **Table 4**:

Table 4: Key adjustments PSB made in FY27 budget

Efficiencies	Restorations	Improvements	Other adjustments
- OAF Restructuring - Early Retirement Incentive - K-5 Section Enrollment Adjustment - Guidance Enrollment Based Adjustment - Special Education Caseload Adjustment - Administrative Support Adjustment - Computer Leases Right-Sizing - General Supplies Right-Sizing - Print Materials Right-Sizing - Advisor Stipend Right-Sizing - Athletic Coach Right-Sizing - In-Town Transportation	- Director of Data and Information Systems - OTL copier leases (unintentionally omitted in FY26) - Professional/ Curriculum Development (subsequently reduced to FY25 levels on Feb. 26) - Computer Leases (deferred for FY26) - Transportation (structural deficit) - Stipends (structural deficit)	- K-8 Math Curriculum Renewal ($265,000) - Google Workspace ($54,000) - Science Curriculum Review (Cost Neutral) - Vision of a Learner (Cost Neutral) - Seal of Biliteracy (Cost Neutral) - Career & Technical Education - Engineering (Cost Neutral) - Chemical Hygiene Safety Plan Development (Cost Neutral) - BHS Curriculum Articulation Work (Cost Neutral) - World Language Curriculum Work (Cost Neutral) - ELA Curriculum Development (Cost Neutral) - SS Curriculum Training (Cost Neutral)	- Anticipated loss of Title II, III, and IV ($277,126) in federal grants (some funds restored on Feb. 26) - Furniture, Fixtures and Equipment ($75K historically carried in Capital Improvements, moved to operating budget) - Tuition, Transportation, Health Services contracted services, etc.

The PSB indicates the proposed budget maintains balance between organizational changes to reduce costs and support for key improvements to the PSB's teaching and curriculum, demonstrating the prioritization of resources for student learning. The PSB also states the overarching constraint in constructing the budget was maintaining the district's class size guidelines and/or state legal requirements.

Staffing History: Many in the community wonder what the PSB has done with staffing in the face of the dramatic and sustained reduction in enrollment since the Covid-19 pandemic. The following tables provide data that should help skeptical parties better understand how the PSB has attempted to balance overall staffing levels with enrollment:

Table 5: Enrollment compared to FTE as percentage of pre-COVID enrollment/FTE

Year	Enrollment [1]	FTE [2]	Notes
19-20 (pre-COVID)	7,777 (100%)	1,378.4 (100%)	[1] DESE enrollment data source: https://profiles.doe.mass.edu/profiles/student.aspx?orgcode=00460000&orgtypecode=5&fycode=2026
20-21	6,791 (87.3%)	1,348.2 (97.8%)	
21-22	6,928 (89.1%)	1,299.4 (94.3%)	

22-23 [3]	7,060 (90.8%)	1,270.77 (92.2%)	[2] DESE educator data source: https://profiles.doe.mass.edu/profiles/teacher.aspx?orgcode=00460000&orgtypecode=5&leftNavId=817& Does not include custodial and food services staff. [3] FY22-23 data in DESE is incorrect; a request for correction was submitted and never completed by DESE.
23-24	7,195 (92.5%)	1,265.8 (90.9%)	
24-25	7,023 (90.3%)	1249.4 (90.6%)	
25-26	6,948 (89.3%)	1264.1 (91.7%)	
26-27 (projected)	6,923 (89.0%)	1242.0 (90.1%)	Enrollment from PSB FY27 projections less OOD FY26 projected FTE less net reduction of 22.1

District staffing trends by functional area are presented below in **Table 6**. (*Note: these numbers vary from the DESE numbers presented above due to multiple differences in methodology, nonetheless reflect an FY24-26 total staffing delta of -0.2, compared to DESE FY24-26 delta of -1.7.*) **What this analysis by functional area reveals is a large increase in special education staff (+23.8) and BEEP staff (+13.4) and a commensurate decrease in administrative staff (-17.9) and general education staff (-19.5).** This reflects the district's move from half-day to full school-day BEEP in FY25, as well as increased needs in special education. The district's 22.1 FTE reduction proposed for FY27 will continue this trend; 2.9 are special education, 2.0 are district admin, and 17.2 are general education K-12.

Table 6: PSB staffing trends by functional area

Functional Area	FY24	FY25	FY26	Net Change FY24-26	*FY27*	FY26 vs. FY27
Special Education	365.2	374.8	389.0	**23.8**	*386.1*	-2.9
BEEP	40.7	56.7	54.1	**13.4**	*54.1*	0.0
General Education K-12	810.4	802.7	790.9	**-19.5**	*773.7*	-17.2
Total Building Staff	1,216.3	1,234.2	1,234.0	**17.7**	*1,213.9*	-20.1
District Admin	236.3	229.3	218.4	**-17.9**	*216.4*	-2.0
Total Staffing	1,452.6	1,463.5	1,452.4	**-0.2**	*1,430.3*	*-22.1*

FY27-29 Budget Summary/Conclusion

As stated above, the Subcommittee has not had the opportunity to do a 'deep dive' on the FY27-29 budget request of the PSB. We further repeat our understanding of the difficult circumstances senior staff of the PSB have been operating under to develop the FY27 budget and FY28-29 budget forecasts. The PSB believes the FY27 budget represents a strong beginning to what they hope and expect will be a continued process of review of efficiencies and reorganization that will prioritize the allocation of resources for student learning. Staff and, we hope, the School Committee will seek to identify additional sources of recurring revenue that can offset Town funding.

The Subcommittee and, through its vote, the full E&RSC hope the PSB and the School Committee embrace the conditions included in our support of the PSBs override request.

Failed-Override Scenario

The PSB's complete failed-override scenario was not created until late February. It includes information created mere days before it was presented to the School Committee. The School Subcommittee was not provided with a presentation and the full E&RSC was not provided with a formal document until March 11, 2026. Neither the School Subcommittee nor full E&RSC had any opportunity to evaluate it or to ask questions or request any analysis.

FY27 Cuts

Identified additional reductions are summarized below. The PSB would highlight that while there is a normal ebb and flow to staffing levels, programmatic reductions are a completely different story. It realistically is not possible to cut a major program and then just decide to bring it back the in the next year or two.

Table 7: Additional FY27 Reductions should operating override fail

District	Furniture/fixtures/equipment budget	$75,000	Reduction in service
	OAF Data/Operations	-1.6	Reduction in service/restructuring
	OTL Administration	-1.0	Reduction in service/restructuring
	Subtotal	**-2.6**	**-4.6 including prior cuts**
Pre-K-8	Non-mandated summer reading program		Reduction in service
	Grade 1 Classroom Aides	-13.0	Reduction in service
	Conservatory	-7.0	Reduction in service
	World Language 6-8	-15.0	Reduction in service
	BEEP Paraprofessional	-1.0	Reduction in service
	Subtotal	**-36.0**	**-49.7 including prior cuts**
BHS	Classroom/guidance staff	-15.6	Reduction in service
	Assistant athletic director	-1.0	Reduction in service
	Special education paraprofessional	-1.0	Reduction in service
	Security paraprofessional	-1.0	Reduction in service
	Administrator	-1.0	Reduction in service
	Subtotal	**-19.6**	**-26 including prior cuts**
TOTAL DISTRICT REDUCTIONS		**-58.2**	**-80.3 including prior cuts**

After FY27, the PSB forecasts an additional reduction of 130 FTEs (46 at the high school and 84 Prek-8) bringing the three-year total staff reduction to about 210 FTEs. The PSB indicates this would balloon average class sizes throughout the district to levels 50% or more than guidelines. Program cuts are said to include all K-8 after school sports, clubs, band, orchestra, drama, homework clubs, or these programs would become fee-based. Athletic programming would be reduced, and fees would rise significantly and the South Brookline bus service would be eliminated.

Though the subcommittee has not discussed these assertions and cannot evaluate the accuracy of the information presented, it is impossible to doubt the impact of a failed override would be extreme and have severe negative consequences for the Town and all of its residents. Which is reason enough to provide voters with a choice to help ensure an override does not fail.

Community Impact Analysis and Capacity to Pay

Summary

As the Select Board considers placing an operating override on the ballot, the following factors should lead the Board to carefully scrutinize the size of any proposed override, with sensitivity to the impacts of increased property taxes on owners and renters. The override amount should not impose an onerous burden on residents or, conversely, be unacceptable to voters and result in failure. The analysis in this document is based on Option 1 from the Executive Summary.

- The Town and Schools current override "asks" would result in property taxes increasing 18.27% from current levels in three years when those "asks" are added to property tax increases already embedded for FY27 to FY29. **There should be full disclosure to the voters of both the aggregate one-year (8.04%) and the three-year (18.27%) impacts**.
- Time periods between Brookline's operating overrides have recently been compressed. Significant property tax increases have also resulted from debt exclusions, driven largely by almost three-quarters of a billion dollars for school construction, expansion, and renovation.
- Even communities that have been cited in support of an override, such Melrose, Stoneham, and Arlington, do not approach the frequency of overrides seen in Brookline. Moreover, there may be a particular lesson to be learned from Stoneham, where voters rejected two larger overrides before accepting a smaller one.
- Brookline's average single-family property taxes (the data provided by the Department of Revenue, or "DOR") increased at a much faster rate than those of communities identified by PSB as similar school communities. Brookline's single-family property taxes increased by $12,627 (from $13,610 to $26,237) between FY15 and FY26, or 229% of the median increase of $5,524 in the similar school communities.
- And if we look simply at the percentage increase in taxes as reported by the DOR to factor out Brookline's greater property values, Brookline's single-family property taxes increased by 93% versus a 64% median increase in the similar school communities, or a **rate of increase 146% that of the comparable communities**.
- Utilizing Brookline Assessor's data, property taxes on **all classes of residential properties** in Brookline (condominium, single-family, two-family, three-family and

4+ unit buildings) **far outstripped the rate of inflation** from FY15 to FY26, at 143% to 265% of the inflation rate for the various residential property types.

- **Renters are not immune from property tax increases**, since the standard Greater Boston lease includes a clause allowing increased property taxes to be passed on directly to renters. In fact, renters in two- and three-family buildings are highly likely to be affected by an override, since tax increases on the building must be borne by a smaller number of units and since the rental units are not eligible for the residential homeowner exemption.

- Brookline **owners and renters** are burdened by housing costs, even without an override further increasing property taxes, with thousands **already paying more than 30% and even 35% of their household incomes for housing** according to 2024 American Community Survey calculations. The impact is **particularly great among seniors** age 65 and over.

- Over 3,300 **owners** faced housing costs greater than 30% of their household incomes, and 2,800 greater than 35%. This included 1,250 seniors (27.2% of senior owners) paying more than 30% of their income for housing, and over 1,060 seniors (23.1%) paying more than 35%.

- Over 6,650 **renters** (almost 47%) paid more than 30%, and over 5,300 (37.6%) more than 35%, of their household incomes for housing. The most senior Brookline renters faced the greatest burdens. One-half (49.9%) of senior renters – almost 1,000 -- pay more than 30% of their incomes for rent and utilities, with over 700 (38%) paying more than 35%.

- **Thus, in setting the level of any override it may propose**, the Select Board should carefully scrutinize the necessity of increased Town and Schools expenditures, be cognizant of the taxes already faced by residents, and be sensitive to the impacts of further tax increases on residents, and particularly senior residents, including consideration of the following as discussed in more detail in the final section of this Report:

    - The merits of spreading portions of the Town and School override “asks” over three years, trading off a higher initial override for one that tempers the annual impact to those on fixed incomes

    - Revising the override amount to include the projected savings from the Solar Initiative proposed by the Futures Subcommittee

- Incorporating increases in BEEP Extended Day tuition to levels adequate to cover costs, as recommended by the Schools Subcommittee

Discussion

1. The proposed override would result in tax increases of 18.27% in three years.

The Town has proposed an override of $5,31M for Town departments, with the entire Town amount added to property taxes in the first year, FY27. As of March 13, 2026, the has PSB identified a "3-year funding gap" of $17.94M, which was identified as the Schools' override proposal. Combined, those figures would result in a total override amount of $23.25 million, with the PSB amount presumably phased in over three years. That override amount would be built into the Town's levy limit, and thus subject to the additional 2.5% increases in that levy limit from year to year.

Without an override, property taxes would increase from $335.9 million in the current year, FY26, to $375.5 million in FY29, an increase of $39.6 million or approximately 11%.[10] **When the override is added** to already embedded Proposition 2 ½ increases, new growth, and debt exclusions, property taxes would increase to $396.8 million over the next three years, a **$64.2 million increase over that period**.

The 8.04% tax impact with the proposed override would be particularly dramatic in FY27, given the Town proposal to add the entire override amount to property taxes in the first year, and the PSB proposal to recapture in one year the entire $1.9 million in Circuit Breaker funds used to balance the Schools' FY26 budget gap.

[10] The forecasted increases in taxes do not include the Community Preservation Act tax. This is because the CPA tax is not part of the levy and is not part of the tax rate applied to residential or commercial property valuations. Rather, it is an annual tax equal to 1% of the tax bill paid by the property owner. Because it is not tied to the overall valuation of property in the Town, it really cannot be easily included in a discussion of how the Town's levy increases and would be impacted by an override.

PROPERTY TAXES	FY2026	FY2027	FY2028	FY2029
Prior Year Levy Limit		$ 303,973,332	$ 337,921,352	$ 348,869,386
2 1/2% Increase		$ 7,599,333	$ 8,448,034	$ 8,721,735
New Growth		$ 2,500,000	$ 2,500,000	$ 2,500,000
General Override		$ 23,848,687		
LEVY LIMIT	$ 303,973,332	$ 337,921,352	$ 348,869,386	$ 360,091,121
Unused Override		$ 13,270,083	$ 7,762,951	$ -
PROPERTY TAX Subtotal		$ 324,651,269	$ 341,106,435	$ 360,091,121
Debt Exclusion	$ 28,596,860	$ 35,379,833	$ 36,013,706	$ 36,726,580
ANNUAL LEVY BEFORE CPA	$ 332,570,192	$ 360,031,102	$ 377,120,141	$ 396,817,701
TOTAL WITH CPA	$ 332,570,192	$ 360,031,102	$ 377,120,141	$ 396,817,701
$ Increase from prior		$ 27,460,910	$ 17,089,039	$ 19,697,560
% Increase from prior		8.3%	4.7%	5.2%
$ Increase from FY26		$ 27,460,910	$ 44,549,949	$ 64,247,509
% Increase from FY26		8.3%	13.4%	19.3%

The data in this table was pulled prior to the receipt of an updated forecast on March 13, 2026 and therefore does not included the reduced GIC costs. As a result, the numbers will be slightly different from the most current levy totals.
Sources: For Town, FY-2027 Financial Plan, pp. 6, 25 (FY26 levy limit, $5,310,000 override levy in FY27). For Schools, School Committee Presentation 2/26/26 (3-year funding gap $18,538,687; annual FY27, 28, 29 figures used for assumed "phase in"): chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://resources.finalsite.net/images/v1772150122/brooklinek12maus/raxvb5dsv1

2. Property tax overrides have accelerated in Brookline in recent years, in addition to nearly three-quarters of a billion dollars in debt exclusions for schools.

Brookline has recently moved into a pattern of frequent overrides, with this proposed override coming hard on the heels of the 2023 override and the possibility of yet another override in 2029. Thus, after Proposition 2½ was enacted in 1980, Brookline waited 14 years for its first override in 1994, and then another 14 years for the second override in 2008. There were then operating override votes in 2015 (a 7-year gap), 2018 (the only prior 3-year gap), and 2023 (a 5-year gap). The proposal for another operating override vote in 2026, only three years after the previous override, and the suggestion that an override in 2026 may be followed by another in 2029, significantly accelerates the historical norms.

Taxes have, moreover, been raised by "debt exclusions," primarily for the public schools: 1990 (new Lincoln school - $88 million); 1995 (High School repairs - $41 million); 2015 (expand and renovate Devotion/Florida Ruffin Ridley school - $88 million after MSBA reimbursement); 2018 (renovate and expand High School - $237 million); 2019 (new Driscoll school - $120 million); 2020 (Newbury College land purchase - $14.9 million); 2022 (fire station renovations - $60 million); and 2023 (new Pierce school – at least $172 million,

assuming full MSBA reimbursement). The debt exclusions for school buildings, even assuming full MSBA reimbursement, has totaled $726 million, almost ten times the $75 million in debt exclusions approved for other Town purposes.

The impact of the overrides and debt exclusions can be seen in the later sections of this report.

3. The experience in other Massachusetts communities underscores that the requested override amount should be reduced, and that voters should be offered the option of voting for a more modest override.

The FY27 Financial Plan states on page 24 that the override proposal is "consistent with what is happening across Massachusetts," pointing to overrides that passed in Melrose and Stoneham. In actuality, those communities – and the experience of communities "across Massachusetts" – tell a different story.[11]

The Melrose override passed in 2025, but the previous successful Melrose override was **six years earlier** in 2019, and the only successful override prior to that was **twenty-seven years** before that, in 1992. Voters defeated overrides eight times between 1991 and 2025. Melrose is hardly on the cycle of overrides every three years that is now on the table for Brookline.

The Stoneham override for $9.3 million passed on 12/9/25 at the same election at which a larger $12.5 million override was **defeated**, and eight months after a $14.6 million override was also **defeated**. Stoneham's experience thus sends a lesson that voters should be offered a moderate override, or **a multi-level or "tiered" override, rather than a single daunting "take it or leave it" amount**.

The Financial Plan also cites a proposed override in Arlington. Whether or not that override passes, it should, as with Melrose and Stoneham, be considered against the past history of that community. As graphically pictured in the next section, Department of Revenue figures report that taxes on the average single-family home in Arlington increased by $4,641 or 63.5% from FY15 to FY26, while those in Brookline increased by $12,627 or 92.8%, **a rate of increase 146% of the rate of increase in Arlington**.

Finally, with respect to the success of overrides "across Massachusetts" in these difficult financial times, for Fiscal Years 2025 to 2027 the Department of Revenue reports 60 operating override "wins" and 68 operating override "losses" in Massachusetts

[11] Historical data for overrides in Massachusetts communities is reported at https://dls-gw.dor.state.ma.us/reports/rdpage.aspx?rdreport=votes.prop2_5.overrideunderride

communities. This hardly demonstrates a history of successful overrides "across Massachusetts," a sobering message for consideration.

4. Brookline's residential property taxes have accelerated at a much faster rate than taxes in comparable communities.

In responses to questions posed by the Expenditure & Revenue Study Committee (E&RSC), the Public Schools of Brookline (PSB) identified eleven school districts that the PSB considers similar to Brookline for purposes of benchmarking. The following analysis focuses on the residential property tax history of those communities.

The bottom-line impact can be viewed through a number of lenses, including Massachusetts Department of Revenue (DOR) data and data from the Brookline Assessor.

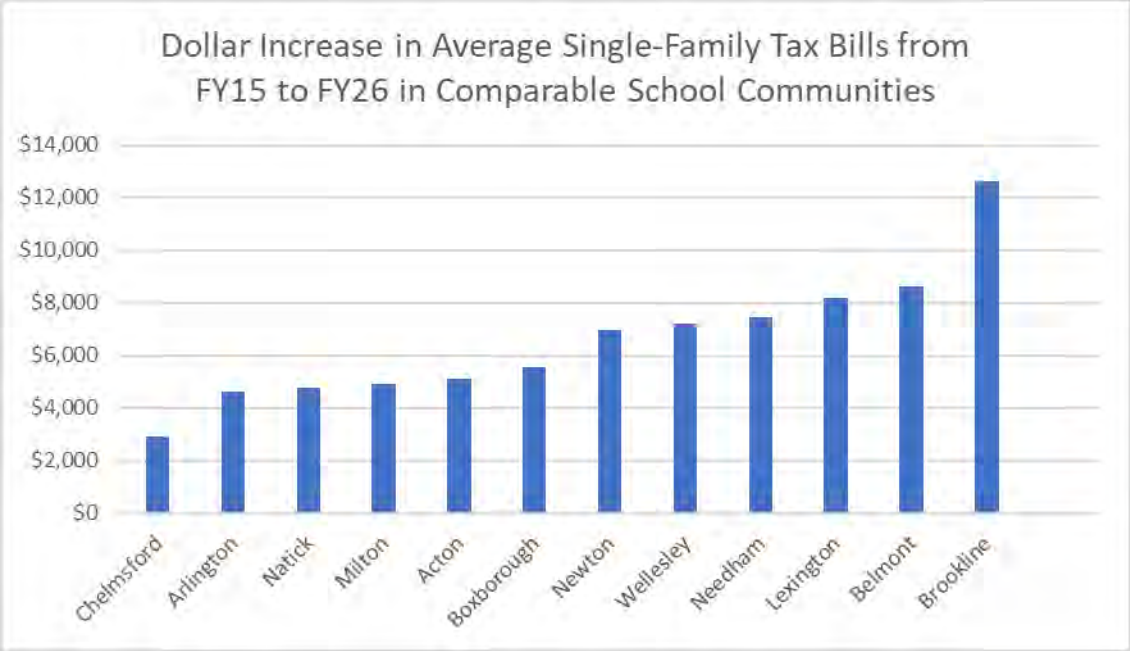
The Massachusetts Department of Revenue (DOR) provides data showing the taxes over time on an average single-family home in each community in the State. This allows us to look at the actual increases over time in single-family property taxes between FY15 and FY26 in communities that the PSB identified as comparable.[12]

The increase in the dollar amount of average single-family taxes in Brookline and the comparable communities shows the dramatic increases in Brookline taxes. Brookline's average single-family tax bill increased by $12,627 (from $13,610 to $26,237) between FY15 and FY26, which is 229% (**well over two times)** the median increase of $5,524 in the comparable school communities.

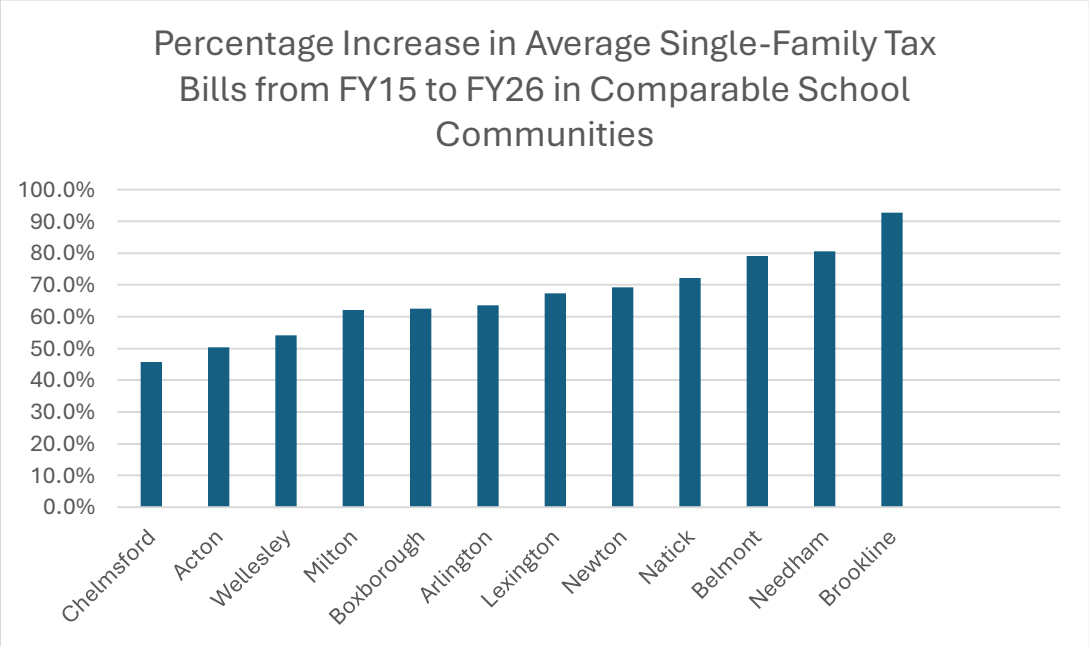
[12] https://dls-gw.dor.state.ma.us/reports/rdPage.aspx?rdReport=AverageSingleTaxBill.SingleFamTaxBill_wRange
The comparable school communities were identified by PSB in the discussion of out-of-district placements on page 8 of the PSB response to questions posed by the E&RSC, as provided to the E&RSC in a July 2, 2025 Memorandum from School Committee members Sarah Moghtader and Jesse Hefter. Watertown is not presented in the graphs because the DOR does not report its average 2015 single-family tax. The combined Acton-Boxborough district is represented by the two municipalities.

The average 2015 single-family tax for Brookline is taken from the Town of Brookline's January 6, 2015 "Growth in the Cost of Government" report. (chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.brooklinema.gov/DocumentCenter/View/6783/Cost-of-Government---Growth-and-Comparables--Deputy-Town-Administrator-Presentation-1-6-2015-PDF#:~:text=Page%202,eligible%20for%20the%20Residential%2)

The DOR figures do not include the additional impact of the Community Preservation Act in municipalities such as Brookline that add the CPA to tax bills.



It could be argued that Brookline's single-family homes are assessed at higher levels than other communities so the greater tax increases on a dollar basis are unsurprising, but Brookline's tax increases even on a percentage basis substantially exceed those of the similar school communities. The **percentage** increase in the average single-family tax bill in Brookline was 92.8%, while the median for the comparable communities was only 63.5%. In other words, Brookline's taxes increased at a rate that was **146% the rate of the comparable communities**.



It has also been argued that the increase in Brookline's residential taxes can be attributed to Brookline's reliance on residential rather than commercial property taxes, particularly with recent changes in relative value between residential and commercial properties.[13] However, six of the eleven comparable communities actually have a higher FY26 residential levy percentage than Brookline, with none of the communities benefitting from a significantly greater commercial levy, yet no comparable community matches the tax escalation in Brookline on either a dollar or a percentage basis.[14]

4. Tax increases on all residential buildings in Brookline have outstripped inflation, with taxes on all except condominiums more than double the inflation rate.

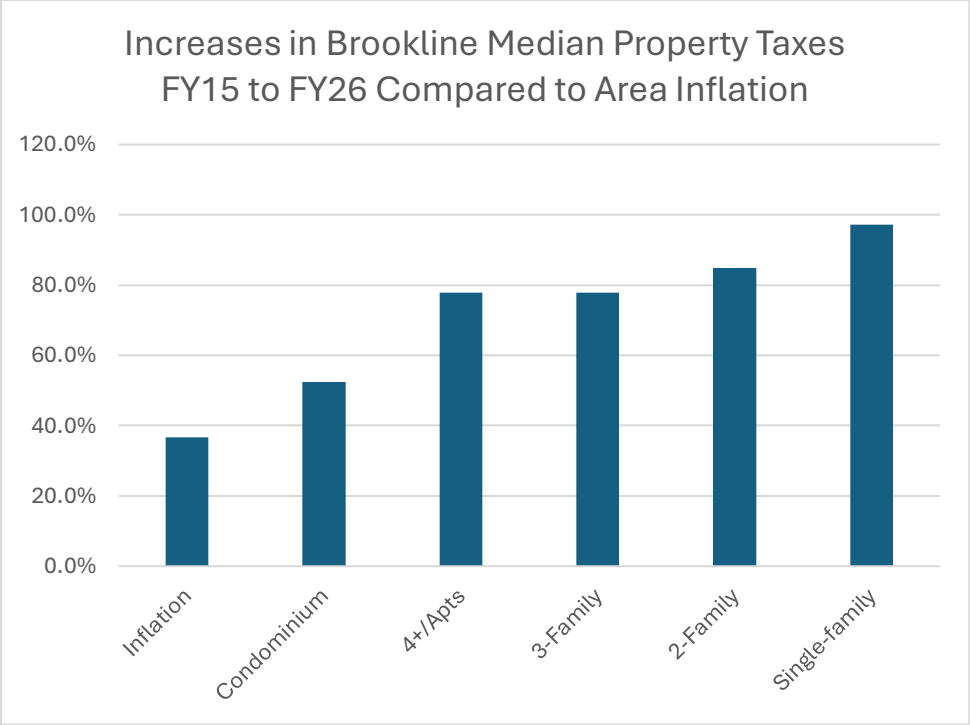
While the DOR only provides property tax data for the average single-family property, the Brookline Assessor provides an annual calculation of the median tax on five different residential property classes: condominiums, single-family, 2-family, 3-family and 4+unit buildings. An additional 1% Community Preservation Act tax was approved in 2021.[15]

Brookline's property taxes on all classes of residential property have escalated at a rate far exceeding the rate of inflation. While area inflation increased by 36.7% between FY15 and FY26, even the residential class realizing the greatest benefit from the residential exemption, condominiums, saw its property taxes increase by more than 52.5%, or **143% of the increase in inflation** over the same period. The increase on 2-family (84.8%), 3-family (77.8%), and 4+/unit (77.8%) buildings was even more striking – more than **double the increase in inflation**. And the 97.2% increase in property taxes on the median single-family dwelling **was 265% of the increase in inflation**.

[13] Under Prop 2.5 where a municipality's total increase in real estate taxes is limited to 2.5% per year (absent new growth, overrides and debt exclusions) relative changes in value between components (residential, commercial, industrial, or between different types of residential properties) will result in year-to-year changes in the percentage of overall taxes one sector must pay.

[14] Approximately 84% of Brookline's property tax levy in FY26 was residential properties. In ascending order, the FY26 residential levy percentage in the comparable communities was: Lexington 78%, Needham 79%, Natick 83%, Chelmsford 83%, Boxborough 84%, Brookline 84%, Newton 86%, Wellesley 90%, Acton 90%, Milton 93%, Belmont 95%, and Arlington 95%. https://dls-gw.dor.state.ma.us/reports/rdPage.aspx?rdReport=Dashboard.TrendAnalysisReports.TaxLevyByClass

[15] Sources: Tax Classification Hearings (assumes the residential exemption), Select Board Meetings 12/1/15; 11/4/25; 11/18/25. Bureau of Labor Statistics, CPI-U, Consumer Price Index for All Urban Consumers, Boston-Cambridge-Newton, MA-NH; January 2015 to November 2025 (1982-84=100). The additional Brookline 1% CPA tax was approved in May, 2021 and is included.



Putting these percentage increases into stark dollar terms, the median single-family home tax rose from $10,704 in FY15 to $21,113 in FY26, an increase of $10,409. If taxes had been limited to the area inflation rate, those taxes would only have gone from $10,704 to $14,632, or about $6,500 less than they actually rose.

Similarly, taxes on 2-family and 3-family homes increased by $8,776 and $9,006, respectively. Tax increases on these properties are most likely to directly affect renters, since tax hikes must be borne by a limited number of units in a building and the residential exemption would not apply to those rental units.

The foregoing analysis of the impacts on **properties** brings us to the existing burden of housing costs on **people –** the Brookline residents who have faced the impact of tax increases in the past and face the prospect of further tax increases in the future.

5. Thousands of Brookline residents – including senior owners and senior renters in particular -- are already burdened by housing costs, even before additional tax increases.

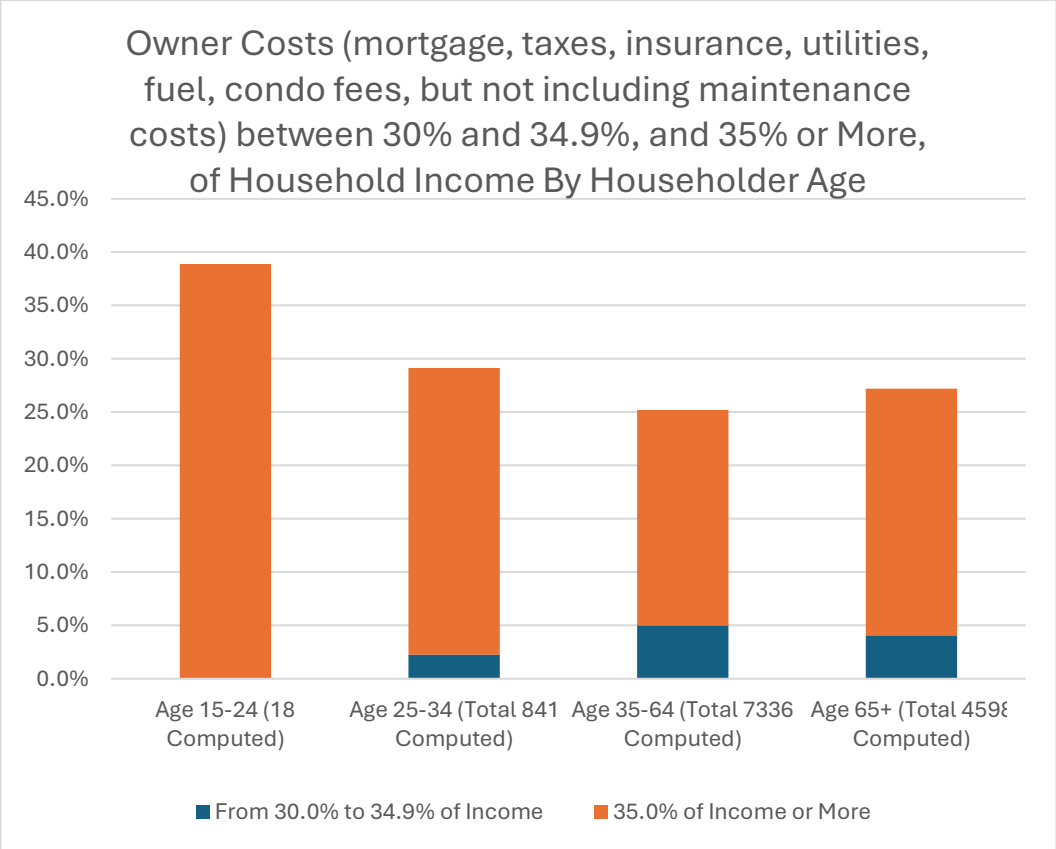
The accepted rule of thumb for housing affordability is the expenditure of 30% or more of household income on housing. The American Community Survey (ACS) provides not only the percentage of owners and the percentage of renters by age group spending more than 30% of their incomes on housing, but also the percentages spending an even greater amount, more than 35%. The figures presented here are based on the most recently

available ACS 2024 5-year estimates -- using data for January 1, 2020 to December 31, 2024. These figures do not include later tax increases, including a $17.6 million increase in the residential levy between FY25 and FY26,[16] or a 5.1% property tax increase projected for FY27 even without an override.[17]

Owners. As shown graphically below, over one-quarter of owners in Brookline were estimated in 2024 to be paying more 30% of their income for housing costs, including mortgage costs, taxes, insurance, utilities, fuel and, where applicable, condominium fees. These figures do not include separate maintenance costs, which can of course be substantial for owners. That is a total of **over 3,300 owners** (26.2%). Most of those – or **almost 2,800 owners** (21.7%) – paid more than 35% of their incomes in owner costs, not including more recent increases. This pattern of housing costs exceeding 35%, not just 30%, of household incomes carries across owners and renters, and across all age groups including seniors in particular.

Despite the assumption that senior owners would be less burdened than younger owners with housing costs because they have already retired their mortgages, the percentage of cost-burdened senior owners is actually **higher** than that of younger owners. Thus, 27.2% of owners 65 and older -- or **1,250** – were calculated to be spending more than 30% of their household incomes on housing, while 23.1% of senior owners, or **1,062,** were calculated to be paying more than 35% of their household incomes for housing – all before later tax or other cost increases or the potentially significant costs of maintenance.[18]

[16] https://dls-gw.dor.state.ma.us/reports/rdPage.aspx?rdReport=Dashboard.TrendAnalysisReports.TaxLevyByClass
[17] FY2027-FY2031 Long Range Financial Forecast, December 9, 2025.
[18] American Community Survey, 2024 5-year estimates, Table B25093. The total number of owner households paying more than 30% of household income for housing was calculated at 3,352 out of 12,793 computed, or 26.2%. The total number paying more than 35% of household income was 2,778, or 21.7%. The total for owner householders age 65 and over calculated to be paying more than 30% of household income was 1,250 out of 4,598 computed, or 27.2%, with 1,062 or 23.1%, paying more than 35% of household income for housing costs.
https://data.census.gov/table?q=brookline,+ma+B25093



Renters. Renters are not immune from property tax increases. The standard Greater Boston Realty Board lease includes a tax escalator clause under which increases in property taxes can be immediately passed on to renters:

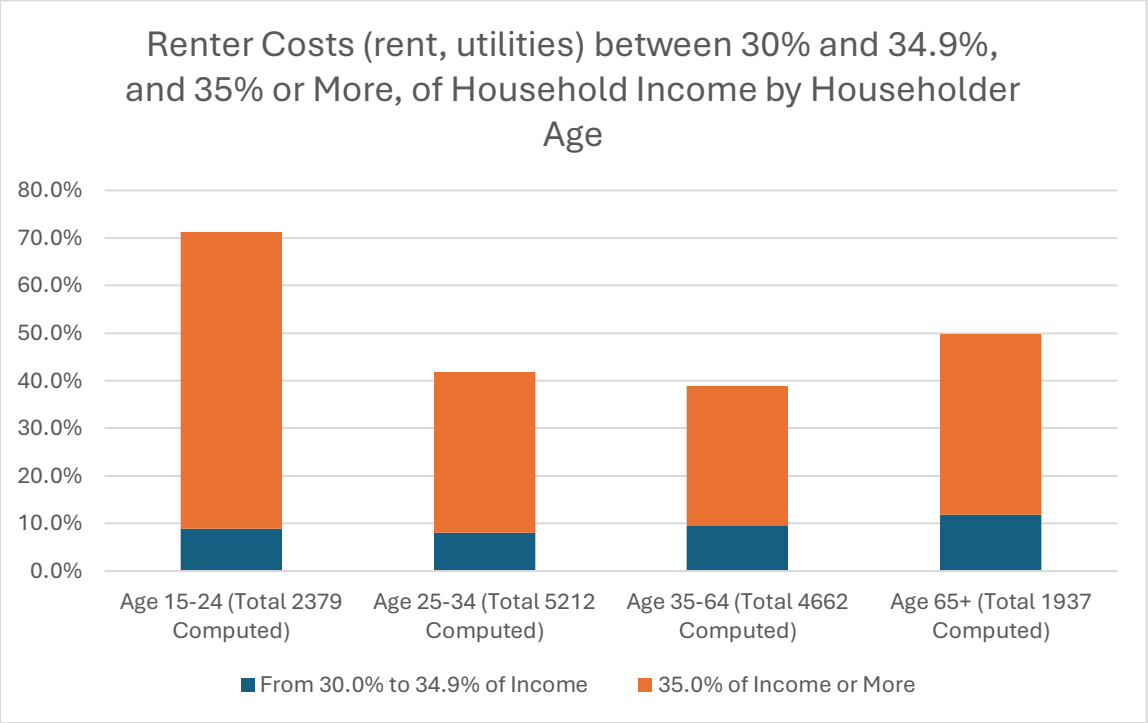
> [I]f in any tax year commencing with the fiscal year [ ] the real estate taxes on the land and buildings, of which the leased premises are a part, are in excess of the amount of the real estate taxes thereon for the ... "Base Year"... Lessee will pay to Lessor as additional rent hereunder, when and as designated by notice in writing by Lessor, ... that proportion of such increased tax as the unit leased him bears to the whole of the real estate so taxed ....

As discussed above, this "property tax pass-through" would likely have a particularly significant impact on renters in two-family and three-family buildings, where tax increases are borne by fewer units.

The ACS 2024 estimates show an even more profound cost burden for Brookline renters than for owners, across all age groups and particularly among seniors.[19] Among all renting

[19] American Community Survey, 2024 5-year estimates, Table B25072. The total number of renter households paying more than 30% of household income for housing was calculated at 6,653 out of 14,190 computed, or 46.9%. The total number paying more than 35% of household income was 5,341, or 37.6%. Renter housing costs were calculated for a

households, almost 47%, or **over 6,650** out of 14,190 renting households for which estimates were computed, paid more than 30% of their household income in rent and utilities. Moreover, **over 5,300** renting households, or 37.6%, paid more than 35% of their incomes for housing costs.



Although the impact of housing costs on the youngest age cohort might be trivialized as being just "young people" or "college and graduate school students," that argument is not relevant for older age groups. All the remaining renter age groups – **and especially the most senior** – were cost-burdened.

Thus, approximately 40% of renters in the 25 to 34 and the 35 to 64 age categories are paying more than 30% of their income in rent and utilities. That is **almost 4,000 renters** out of the 9,874 households of those ages for which estimates were computed. And of those 9,874 households, **over 3,100** (31.6%) paid more than 35% of their household incomes in rent and utilities.

The burdens are even more dramatic for renters over the age of 65. **Virtually half of senior renters** (49.9%), **almost 1,000 senior renters** out of 1,937 computed, were paying more

total of 9,874 householders in the 25 to 34 and 35 to 64 age cohorts, with 3,991 (40.4%) calculated to be paying more than 30%, and 3,122 (31.6%) to be paying more than 35%, of household income for housing. For renters age 65 and over, 966 out of 1,937 (49.9%) were paying more than 30% of household income for housing while 736 (38%) were paying more than 35% of their household incomes for housing. https://data.census.gov/table?q=brookline,+ma+B25072.

than 30% of their incomes on rent and utilities, with 38%, or **736 senior renters**, paying more than 35% of their incomes for housing.

6. There should be full disclosure of the total impact of all factors that will increase property taxes, as well as careful scrutiny of ways to reduce the override level.

The cost burdens borne by Brookline residents are based on the 2024 ACS survey, and do not reflect later, or projected, tax increases. For example, the residential levy increased by $17.6 million, or 6.7%, from FY25 to FY26, and the Town has projected a further 5.08% property tax increase from current FY26 to FY27 and an 11.28% increase by FY29 before the impact of an override. And with the proposed override, **property taxes would rise by 8.04% from current levels in one year and by 18.27% in three years,** immediately after the 6.7% property tax increase that occurred in the current year**.**

Ultimately, the **total** property tax impact of any override vote should be made clear to voters, including the impact from year to year and the total impact over three years. This would not simply be the isolated impact of the override, but would also include the impact of factors such as embedded Proposition 2 ½ increases and debt exclusions, the compounding of override amounts, and the additional impact of the Community Preservation Act. All such items would impact the property taxes that households would actually be required to pay.[20]

7. The Select Board can incorporate steps to reduce the size and impact of any override.

The actual necessity of the proposed override amount should also be carefully scrutinized and steps taken to reduce the amount:

- Rather than "front-end loading" the full Town override and Schools' capture of $1.9 million of Circuit Breaker funds, consider spreading such amounts over a three-year period to reduce the FY27 "hit" of 8.04%.
- The 83% employer contribution rate for health insurance regardless of the type (HMO, PPO, POS) or cost of the plan, is unsustainable when coupled with the 10% to 12% GIC premium increases over which Brookline has no control. While the contribution rate would have to be collectively bargained, contribution levels in line with comparable communities could, as noted in the "Medical Insurance Premiums" Report of the Schools Subcommittee, save from $3.5 million to $7.9

[20] Consideration could also be given to a one-year override, to allow the current PSB administration to adopt meaningful cost reductions. In the event of a three-year override, consideration could also be given to spreading increases that are now proposed to be front-loaded in FY27 over a three-year period to reduce the FY27 impact.

million per year over the period of the proposed override. Simply accepting the 83% contribution rate as a "given" that will persist into the future is not sustainable.

- Similarly, the impact of "steps" on salaries is unsustainable over time, as set forth in "Schools Employee Compensation: The Impact of 'Steps' on Actual Salaries & PSB Salaries in Comparison to Similar Districts," as reported by the Schools Subcommittee. While salaries should be competitive, Brookline School salaries exceed the median levels in districts identified as similar by PSB.

  In particular, "steps" increase actual salaries for PSB employees and for some Town employees at a rate well in excess of inflation and nominal cost-of-living increases, indeed up to 8% annually. Even though only 52% of PSB educators remain on the "steps and lanes" grid, salary increases for PSB employees were forecast at 5% per year by Dr. Susan Givens at the 2/26/26 School Committee meeting – with no increase in FTEs. That 5% figure is in addition to the effective additional 1.8% increase that results from increasing health benefit costs, an unsustainable 6.8% annual increase.[21]

  This issue must also be collectively bargained, but salaries must be at a level that is sustainable over time without the expectation of continuing successful overrides. Unsustainable salary increases should not be accepted as a "given."

- PSB should enforce provisions of the contract regarding teaching loads at the High School, and the Select Board should be prepared to set an override level that incorporates the resulting savings.

  The current collective bargaining agreement provides: "Grades 9-12 teachers shall have a maximum of twenty (20) assigned instructional periods and four (4) periods of other assigned duties (one of which may be a homeroom), except as the BSC [Brookline School Committee] has previously voted otherwise." There is also a "goal" of an aggregate student load of 115 students, with the Head of School required to "make efforts" to reduce the load to 115.

  For High School teachers teaching courses that meet only four times per week, this would allow the assignment of five courses plus four other duties. This apparently applies in English, Math, Social Studies, World Languages, and some Science courses (with some Science courses meeting 5 times per week with labs). Only 11

[21]The average Brookline teacher salary in 2023-24 – three years prior to the first override year – was $122,389. https://profiles.doe.mass.edu/statereport/teachersalaries.aspx Brookline's current 83% contribution for 1789 active Town and School employees is $32,804,684 (see Table 1, "Medical Insurance Premiums" Report of the Schools Subcommittee), or an average of $18,337 per employee. Health insurance premiums are projected to increase by 12% per year, or $2,200 per employee, or approximately 1.8% of the average 2023-2024 salary.

out of 94 teachers now have teaching loads of more than 100 students, and the current average teaching loads in all five discipline range from 82.4 to 92.7, indicating opportunities to increase per-teacher instructional periods from 4 to 5 without exceeding the goal of 115.

In fact, at the 2/26/26 School Committee meeting, PSB identified the potential to save 8 FTEs by shifting some "4+1" assignments to teaching 5 courses (1.4 FTEs) in FY27 regardless of the outcome of an override, and by rotating a portion of "4+1" assignments if an override fails (an additional 6.6 FTEs). Moreover, there was also the potential to reduce 7 additional FTEs, dispersed with only one in each department (ELA, Math, etc.), rather that the elimination of entire programs. Each reduction in an FTE, however achieved, could save an average of $140,000, less potential unemployment costs in the first year.[22] There were further potential reductions of four administrative/paraprofessional positions.

Ideally, the School Committee and the Select Board would be presented with dispersed incremental reductions, rather than draconian elimination of entire programs, as options. The public schools of Arlington presented that sort of information in connection with the Arlington override.[23] Dispersed, incremental reductions rather than wholesale program elimination would be particularly viable for an override level that was less than the full 'ask' of the Town and Schools. The goal should be to utilize incremental reductions in a manner that would preserve programs.

- The override calculations should also incorporate revenue and savings identified by E&RSC subcommittees, including:
    - Capturing savings projected during the override period from the Solar Initiative recommended by the Futures Subcommittee.
    - At a minimum, ensuring that the Brookline Early Education Program (BEEP) tuition is covering the costs of the program, particularly an apparent shortfall

[22] The average Brookline teacher salary in 2023-24 – three years prior to the first override year – was $122,389. https://profiles.doe.mass.edu/statereport/teachersalaries.aspx Brookline's current 83% contribution for 1789 active Town and School employees is $32,804,684 (see Table 1, "Medical Insurance Premiums" Report of the Schools Subcommittee), or an average of $18,337 per employee, resulting a total of over $140,000 per employee for just wages plus health insurance, or approximately $900,000 annually for 6.6 FTE positions.

PSB should prepare to implement all potential staff reductions by complying with the notice requirements of the collective bargaining agreement regarding layoffs to the levels required if an override were to fail.

[23] See https://4.files.edl.io/b519/02/23/26/132009-226d0fc7-45e3-460e-a8d6-b607398800dc.pdf

in the Extended Day portion of the program, as set forth in the "BEEP Tuition Analysis" Report of the Schools Subcommittee.

The size of the override and the capacity of households to pay any override are critical issues. The Town would not be well served by the imposition of onerous burdens on residents – owners or renters; young, middle-age or senior -- or, conversely, by the failure of an override that voters find unacceptable.

III. Schools Subcommittee Report

The following report includes the detailed analysis and reports that culminated in the Schools Subcommittee recommendations. It is organized into two primary sections in line with the overall mandate of the E&RSC: 1) cost avoidance or expenditure reduction opportunities, and 2) revenue enhancement opportunities. In addition, we have included other work undertaken by the Schools Subcommittee in support of 1 and 2 in a third "other" section.

Cost Avoidance/Expenditure Reduction Opportunities

Medical Insurance Premiums

Summary

As set forth below:

- Medical insurance premiums have been identified as a "budget buster" for the Town and Schools.
- The 83% employer share of medical insurance premiums paid by the Town and Schools is one of the most generous of comparable communities.
- Reducing Brookline's contribution rate to a level in line with similar communities would result in savings of millions of dollars per year, permitting a smaller override and increasing the likelihood that an override will be palatable to the voters.
- The Select Board should consider setting an override amount calculated on the basis of a reduced employer contribution rate, with an effective date by which savings from that reduced rate would be expected to be realized.

Discussion

1. Brookline's share of medical insurance premiums is one of the most generous of comparable communities.

The following chart compares Brookline's share of medical insurance premiums for Town and School employees with the communities identified as similar to PSB in the July 2, 2025 Memorandum of School Committee members Sarah Moghtader and Jesse Hefter:

Brookline FY26	83% HMO, POS, PPO, PPO-Type[24]
Acton-Boxborough FY26	HMO 75%; PPO 50%
Arlington FY26	HMO 85%; PPO, POS, PPO-Type 80%; Indemnity 75%
Belmont FY26	HMO 80% (HMO 75% for newly hired employees in certain classifications); PPO 50%
Chelmsford	HMO 75%; PPO 63%; Retiree 60%

[24] Brookline pays only 62% of the premiums for two plans, Harvard Pilgrim Access America, for residents outside of New England, and Wellpoint Total Choice, for New England and international residents. Together, these plans have only 19 individual participants and 8 family participants, or 0.8% of total Town and School health benefit recipients.

Lexington FY26	82% HMO, POS, PPO-Type
Milton FY25	76% HMO, PPO
Natick FY25	HMO 75%; EPO (Exclusive Provider Organization) 62%; PPO 50%
Needham FY26	HMO/Limited Network Individual: 74.4% to 76.5% HMO/Limited Network Family: 66% to 69% PPO: 50% (Individual or Family)
Newton FY26	HMO: Hired prior to 7/1/11 - 80% HMO: Hired after 7/1/11 – 75% PPO: Enrolled before 6/30/20 – 70% PPO: Enrolled after 6/30/20 – 65% PPO: Hired after 1/31/24 – 52%
Watertown FY26	80% HMO, POS, PPO, PPO-Type; 60% Indemnity
Wellesley	HMO 78%; EPO 60%; PPO 50%

The average employer contributions for HMO plans among comparable communities is **77.5%**, averaging the rates for individuals and families in Needham and for longer- and shorter-term hires in Belmont and Newton. If we utilize the rates only for long-term employees, the average employer HMO contribution rate in the identified similar communities rises slightly to **78%**. These figures compare to Brookline's current **83%** employer contribution for HMO premiums.

Although Brookline does not draw a distinction between HMO plans, on the one hand, and PPO and POS plans, on the other, most of the comparable communities have recognized the significantly higher cost of PPO and POS plans. As a result, the average employer contribution in the comparable communities for PPO and POS plans is **63%** (averaging the Newton rates for employees of different seniorities). Utilizing contribution rates only for long-term employees, the average employer contribution rate is only slightly higher at **63.7%** -- essentially **20% lower than Brookline's employer contribution of 83%.**

2. Reducing Brookline's contribution rate to a level in line with similar communities would result in savings of millions of dollars per year, permitting a smaller override.

Medical insurance premiums have, along with Special Education, been identified as a "budget buster," particularly with annual premiums projected to increase at a rate of 12% per year in FY27 and thereafter. One solution would be to bring Brookline's employer contribution rate to a more sustainable level. A proposed override could assume a contribution rate in line with that of comparable communities.

The attached **Table 1** undertakes this analysis, utilizing the actual enrollment of Active Employees and of Medicare Retirees in various plans, and the actual annual premiums for each of those plans. At the current Brookline employer contribution rates (which do not

distinguish among HMO, PPO and POS plans), the employer (Town and Schools) share of health care premiums in the current FY26 year is approximately $39.3 million.[25]

[25] This amount is $2.6 million less the figure of $41,925,305 shown in the Town's December 9, 2025 Long Range Forecast. The difference is attributable to the fact that the $41.9 million figure including Medicare payments (only Supplemental insurance is included in the $39.3 million figure), an opt-out program budgeted at $300,000, and the salary of the benefits administrator.

TABLE 1

Plan	Plan Type	FY 26 Enrollment			FY26 Annual Premium Per Employee/ Retiree	FY26 Total Annual Premium	Current Brookline Share Per Employee/ Retiree	Current Total Brookline Cost	Brookline Share at 78% HMO; 65% PPO, POS; 83% Retirees	Total Brookline Cost at 78% HMO; 65% PPO, POS; 83% Retirees	Brookline Share at 75% HMO, PPO, POS; 83% Retirees	Total Brookline Cost @75% HMO, PPO, POS; 83% Retirees
ACTIVE EMPLOYEES		School	Town	Total								
Health NE Family	HMO	0	2	2	$ 24,744	$ 49,488	$ 20,538	$ 41,075	$ 19,300	$ 38,601	$ 18,558	$ 37,116
Health NE Individual	HMO	1	1	2	$ 10,312	$ 20,624	$ 8,559	$ 17,118	$ 8,043	$ 16,087	$ 7,734	$ 15,468
Hvd Pilgrim Access America Fam.	PPO Outside NE 62%	1	4	5	$ 38,505	$ 192,525	$ 23,873	$ 119,366	$ 23,873	$ 119,366	$ 23,873	$ 119,366
Hvd Pilgrim Access America Ind.	PPO Outside NE 62%	2	9	11	$ 17,263	$ 189,893	$ 10,703	$ 117,734	$ 10,703	$ 117,734	$ 10,703	$ 117,734
Hvd Pilgrim Explorer Fam.	POS	255	184	439	$ 35,293	$ 15,493,627	$ 29,293	$ 12,859,710	$ 22,940	$ 10,070,858	$ 26,470	$ 11,620,220
Hvd Pilgrim Explorer Ind.	POS	215	175	390	$ 14,256	$ 5,559,840	$ 11,832	$ 4,614,667	$ 9,266	$ 3,613,896	$ 10,692	$ 4,169,880
Hvd Pilgrim Quality Fam.	HMO	91	38	129	$ 27,030	$ 3,486,870	$ 22,435	$ 2,894,102	$ 21,083	$ 2,719,759	$ 20,273	$ 2,615,153
Hvd Pilgrim Quality Ind.	HMO	169	67	236	$ 10,628	$ 2,508,208	$ 8,821	$ 2,081,813	$ 8,290	$ 1,956,402	$ 7,971	$ 1,881,156
Mass Gen Brigh Complete Fam.	HMO	47	38	85	$ 34,615	$ 2,942,275	$ 28,730	$ 2,442,088	$ 27,000	$ 2,294,975	$ 25,961	$ 2,206,706
Mass Gen Brigh Complete Ind.	HMO	70	60	130	$ 13,098	$ 1,702,740	$ 10,871	$ 1,413,274	$ 10,216	$ 1,328,137	$ 9,824	$ 1,277,055
Wellpoint Plus Fam.	PPO-Type	75	45	120	$ 31,272	$ 3,752,640	$ 25,956	$ 3,114,691	$ 20,327	$ 2,439,216	$ 23,454	$ 2,814,480
Wellpoint Plus Ind.	PPO-Type	62	49	111	$ 13,104	$ 1,454,544	$ 10,876	$ 1,207,272	$ 8,518	$ 945,454	$ 9,828	$ 1,090,908
Wellpoint Total Choice Fam.	Indem-NE, Int'l, 62%	2	1	3	$ 46,798	$ 140,394	$ 29,015	$ 87,044	$ 29,015	$ 87,044	$ 29,015	$ 87,044
Wellpoint Total Choice Ind.	Indem-NE, Int'l, 62%	5	3	8	$ 21,055	$ 168,440	$ 13,054	$ 104,433	$ 13,054	$ 104,433	$ 13,054	$ 104,433
Wellpoint Cmty Choice Fam.	PPO-Type	40	17	57	$ 24,975	$ 1,423,575	$ 20,729	$ 1,181,567	$ 16,234	$ 925,324	$ 18,731	$ 1,067,681
Wellpoint Cmty Choice Ind.	PPO-Type	40	21	61	$ 10,048	$ 612,928	$ 8,340	$ 508,730	$ 6,531	$ 398,403	$ 7,536	$ 459,696
Subtotal		1075	714	1789								
RETIREES						$ -	$ -	$ -		$ -		$ -
Hvd Pilgrim Medicare Enhance	Indemnity	378	424	802	$ 5,619	$ 4,506,438	$ 4,664	$ 3,740,344	$ 4,664	$ 3,740,344	$ 4,664	$ 3,740,344
Wellpoint Medicare Extension	Indemnity	248	327	575	$ 5,716	$ 3,286,700	$ 4,744	$ 2,727,961	$ 4,744	$ 2,727,961	$ 4,744	$ 2,727,961
Health NE Medicare Supp Plus	Indemnity			0	$ 5,649	$ -	$ 4,689	$ -	$ 4,689	$ -	$ 4,689	$ -
Tufts Health Medicare Preferred	HMO	16	22	38	$ 2,347	$ 89,186	$ 1,948	$ 74,024	$ 1,948	$ 74,024	$ 1,948	$ 74,024
Subtotal		642	773	1415								
TOTAL		1717	1487	3204		$ 47,580,935		$ 39,347,013		$ 33,718,015		$ 36,226,424

If the employer contributions were reduced to a level approaching the averages of comparable communities, 78% for HMO plans and 65% for PPO and POS plans (while holding retirees harmless at 83%), the calculated employer cost share would be $33.7 million, a savings of $5.6 million using FY26 figures. Even if the employer share of premiums were merely reduced from 84% to 75% (again holding retirees harmless at 83%), the Town and School cost would be $36.2 million, a savings of $3.1 million.

The following table shows that these FY26 savings would be even greater in the "out" years encompassed by a potential override, with health care premiums (and accordingly the proportional savings) projected to increase at a rate of 12% per year.

TOWN AND SCHOOLS HEALTH INSURANCE PREMIUM SAVINGS				
	FY26 (From Table 1)	FY27 (plus 12%)	FY28 (plus 12%)	FY29 (plus 12%)
At 78% HMO; 65% PPO, POS; 83% Retirees	$5,628,998	$6,304,478	$7,061,015	$7,908,337
At 75% HMO, PPO, POS; 83% Retirees	$3,120,589	$3,495,060	$3,914,467	$4,384,203

Group health premiums alone have now risen to almost 10% of the total Town and Schools budget, even before the substantial increases projected for the future. While the Select Board cannot unilaterally change the employer contribution percentage outside of collective bargaining, and an override vote will likely precede the conclusion of collective bargaining, an unsustainable 83% employer contribution should not be considered a "given."

The Select Board can set an override amount that is based on a more realistic and sustainable Town and Schools share of premiums, with the calculated savings reflecting a target date for the reduced employer contribution to be effective.[26] For example, the Select Board could vote an override figure that assumed the reduced contribution rate would become effective on January 1, 2027 (providing almost a full year for negotiations), thus realizing one-half of the FY27 savings and all of the FY28 and FY29 savings.[27] If a later effective date of July 1, 2027 were utilized in the forecast, the projected deficit could be reduced only for FY28 and FY29.

[26] This proposal suggests two ways in which the Town and School health insurance premiums could be reduced: an across-the-board reduction in the employer contribution rate and a different rate for HMO, PPO and POS plans (see Acton-Boxborough, Belmont, Natick, Needham, Newton). Additional options could be addressed in collective bargaining to help achieve the necessary savings: different rates for more recently hired employees (see Newton); different rates for individual and family coverage (Needham); eliminating a more favorable contribution rate for retirees; or any combination of all foregoing. If agreement could not be reached on the employer contribution rate in collective bargaining, limitations on override revenues could be met by the Town and the Schools implementing other savings in operations and/or by increases in other revenue sources.

[27] Thus, assuming a 78% rate for HMO plans and a 65% rate for PPO and POS plans, the forecasted deficit would be reduced by 50% of $6.3 million in FY27 and by 100% of $7.1 million and $7.9 million in FY28 and FY29, respectively. The same methodology would apply if a flat 75% rate and a January 1, 2027 effective date formed the basis of the override vote of the Select Board, with a reduction of 50% of $3.5 million in FY27, a reduction of $3.9 million in FY28, and a reduction of $4.4 million in FY29.

The bottom line is that any override must ultimately be acceptable to a majority of voters, and the current 83% employer contribution rate and the corresponding override request could well be beyond the pale in the eyes of many. A failed override would not serve the interests of those who rely on Town and School services, nor would it serve the interests of Town and School employees.

Schools Employee Compensation: The Impact of "Steps" on Actual Salaries & PSB Salaries in Comparison to Similar Districts

Summary

As the Select Board considers the amount of an override to be added to the 5.1% property tax increase that will occur in FY27 even without an override, it should consider the following:

- Approximately one-half of Public Schools of Brookline (PSB) educators receive "step" increases in addition to contractual cost-of-living increases. The impact of steps increases actual salaries by an amount well beyond the nominal cost-of-living (COLA) increase and actual inflation. Some Town employees also receive step increases.
- Although detailed comparisons to other communities would consider total compensation and benefit packages, as well as working conditions and the existence of actual employment opportunities, all of which PSB should consider, major elements that have been analyzed (base compensation, health benefits, teaching load) indicate that Brookline's total package compares favorably to other communities.
- In response to questions posed by the E&RSC Schools Subcommittee, PSB identified eleven school districts that were similar to Brookline. Boston and Cambridge, though not deemed similar by PSB, were added to an analysis of salaries because of geographic proximity. That analysis – across a broad range of "steps" (i.e., seniority) and a broad range of "lanes" (degree attained) – demonstrates that salaries for Brookline educators are thousands of dollars more than the median salaries in those districts, with the single exception of long-term educators with doctorate degrees.
- As reported in another analysis, the employer contribution rate for health insurance in Brookline exceeds that of other communities. Brookline High School educators are required to teach only four classes per day, with one other assigned duty, a teaching load that is no more, and often less, demanding than comparable school districts.
- Any override will be in addition to the 5.1% increase in property taxes that is already projected to occur in the absence of an override.
- The current salary structure including the impact of "step" increases in addition to nominal COLA increases, along with other costs such as health insurance that are increasing over time, will be unsustainable over time without a cycle of repeated overrides. PSB and the School Committee should recognize the total financial impact of the salary structure which, as noted, can generate individual wage increases of up to 8% when the nominal contractual COLA increase is only 2.75% and inflation is only slightly more than 3%.
- While the goal is to compensate Schools (and Town) employees competitively, this must be done in a manner that is sustainable over time without the expectation of continuing overrides.

Discussion

1. With the impact of "steps," salary increases for the majority of Brookline educators far outstrip both the inflation rate and the nominal contractual cost-of-living increase.

The 2023 to 2026 contract between the Brookline School Committee (BSC) and the Brookline Educators Union (BEU) included a nominal 2.75% cost of living increase effective on September 1, 2025, that is, for the 2025 to 2026 school year (FY26). In addition to this 2.75% increase, however, about 52% Brookline educators, according the Dr. Susan Givens, are on PSB's "Step & Lane" grid where they benefit by going up one "step" in the salary grid from one year to the next. Thus, for example, while Step 6 and Step 7 in FY26 are each, respectively, 2.75% greater than Step 6 and Step 7 were in FY25, an educator at Step 6 in FY25 receives not only that 2.75% increase but also the benefit of moving from Step 6 in FY25 to the higher Step 7 in FY26. As shown in the table below, for someone with a Master's degree, this amounts to an effective 6.7% (rather than the published COLA of 2.75%) salary increase, **243%** of the nominal COLA increase.

EFFECTIVE SALARY INCREASES WITH IMPACT OF STEPS - FY25 TO FY26 EXAMPLES

	FY25 (Steps 1, 4,6,10,14)	FY26 (1 step higher than FY25 step: e.g. Step 2 in FY26 if Step 1 in FY25)	$ Increase FY25 to FY26	% Increase FY25toFY26	Inflation FY 25 to FY26
Step 1/2, Bachelor's	$ 60,514	$ 65,358	$ 4,844	8.0%	3.2%
Step 4/5, Bachelor's	$ 69,786	$ 74,885	$ 5,099	7.3%	3.2%
Step 1/2, Master's	$ 67,437	$ 72,569	$ 5,132	7.6%	3.2%
Step 6/7, Master's	$ 83,388	$ 88,957	$ 5,569	6.7%	3.2%
Step 10/11, Master's	$ 96,150	$ 102,066	$ 5,916	6.2%	3.2%
Step 14/15, Master's	$ 109,504	$ 115,638	$ 6,134	5.6%	3.2%
Step 1/2, Doctorate	$ 75,277	$ 80,848	$ 5,571	7.4%	3.2%
Step 6/7, Doctorate	$ 92,306	$ 98,347	$ 6,041	6.5%	3.2%
Step 10/11, Doctorate	$ 105,934	$ 112,350	$ 6,416	6.1%	3.2%
Step 14/15, Doctorate	$ 119,558	$ 125,886	$ 6,328	5.3%	3.2%

INFLATION: beginning of FY25 to FY26 (7/24 to 7/25) Boston,Cambridge, Newton-MA-NH: 3.24% (335.963 to 346.856)

In practice, the **real** salary increases from FY25 to FY26 for educators on the Step and Lane grid as shown on the table ranged from 5.3% to 8.0% -- in contrast to the nominal contractual COLA of 2.75% and the area inflation rate of 3.24%. Although not all PSB educators are on the grid, the fact that more than one-half receive step increases in addition to COLA increases necessarily impacts PSB's finances. Budget deficits are driven by the actual salary increases, not the nominal COLA increases.

The impact of actual salary increases is appropriate for PSB and the School Committee (and the Town) to analyze and report.[28] Moreover, the difference between actual salary

[28] PSB has not provided an explanation of the computations underlying its wage forecasts, although Dr. Givens estimated wage increases of 5% with no FTE changes, and an increase of 3.78% ($3.35 million) in Professional Staff wages (not

increases, on the one hand, and actual area inflation and revenue growth, on the other, should be considered by the Select Board as it evaluates requests for a tax override increase. If the impact of steps and other cost increases such as benefits are accepted as inevitable along without offsetting operating savings or non-tax revenues being required, the resulting increase in costs will perpetually outstrip the growth of property tax revenues.

2. Brookline's educator salaries exceed those of comparable communities.

A July 2, 2025 Memorandum from School Committee Members Sarah Moghtader and Jesse Hefter identified eleven school districts that the PSB deemed similar to Brookline. The attached table compares the salaries for a wide range of "steps" (from Steps 1, 5, 10 and 15) and "lanes" (Bachelor's, Master's and Doctorate degrees) in those communities. Boston and Cambridge are also added to the table.[29] In addition, Dr. Givens reported to the E&RSC Schools Subcommittee that Brookline targets its hiring at Master's Step 6, so that step is also reported.[30]

The table compares Brookline's salaries to those of the other communities for School Year 2025-2026 (current FY26).[31] At each step and lane represented in the table, with the exception of the most senior educator with a doctorate degree, the bottom line is that salaries for the Public Schools of Brookline are from $1,000 to more than $5,000 greater than the median salaries of the other school districts. Brookline's current FY26 salary for Master's Step 6, the target hiring step and lane, exceeds the median salary in the other districts by more than $4,500. The total competitive employment package should be considered by PSB. The E&RSC Schools Subcommittee has collected information regarding the major factors of health insurance benefits and high school teaching load. As noted in another report, Brookline's 83% employer contribution for both HMO plans and PPO/POS plans exceeds the contribution rate of comparable school communities. Moreover, while different communities use different metrics to set teaching loads, Brookline's "4 plus 1" high school teaching schedule is no more demanding, and often less demanding, than those of comparable districts.[32]

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including benefit cost increases) for FY 27 was presented to the School Committee on 2/26/26 even with FTE reductions. These figures exceed anticipated revenue growth, even without consideration of other cost increases. It should be noted that Town departments also have steps for some positions, although the Town-side policy applies to fewer employees. It was estimated by Town staff that steps for Town department employees result in salary increases of approximately $400,000 per year. In addition, as shown on the table, PSB employees receive additional compensation for advanced educational degrees, moving from one lane to a higher lane. Despite the apparent smaller impact, the actual impact of step increases for Town departments should also be examined.

[29] Although they were not deemed similar by PSB, Boston and Cambridge were added to the table because of geographic proximity to Brookline as potential employers, though Boston, at least, is closing schools.

[30] While the salary grid in the Brookline Educator's Union collective bargaining agreement extends to Step 15 for an educator with a Bachelor's degree, Bachelor's Steps 6 and above apply only to those who were employed by PSB at Step 6 or above during the 2011-2012 School year. Therefore, Bachelor's Step 6 and above (i.e., Bachelor's Steps 10 and 15 on the table that follows) would have limited application.

[31] A School Year 2025-2026 collective bargaining agreement or salary scale could not be located for Belmont as of 2/6/26. In School Year 2024-2025, the reported salaries for Brookline surpassed those of Belmont by as much as $9,084 (Doctorate Step 10), with only one Belmont entry exceeding Brookline's (Doctorate Step 15, by $1,505).

[32] Brookline: goal of 115 students in Social Studies, Math, Foreign Language; 20 instructional periods and 4 other assigned duties per week. Acton-Boxborough: 5 teaching periods per day; English teachers 4 teaching periods plus 1

In this light, the Select Board should not simply accept historical salary and benefit escalation as a "given." Any override "ask" must be acceptable to Brookline voters when it is added to the already-projected 5.1% FY27 property tax increase, with future increases in Schools (and Town) salaries and benefits at a sustainable level aligned with the average historical revenue growth in the Town without dependence on override amounts

duty per day. Arlington: with 5-day week, English 100 students, other subjects 125 students; English 4 periods per day; other subject 5 periods per day; effective 8/31/06, English teachers may be assigned 5 periods. Belmont: where "economically feasible," 125 students; teachers in major academic areas assigned no more than 30 periods per week (6 per day), of which not more than 25 (5 per day) shall be teaching periods. Cambridge: class size of 28; teach 75% of student instructional day. Lexington: 125 students; English 100 students; in SY2027-28 up to 100-105 for all. Milton: "Whenever possible" not required to teach more than average of 5 classes per day; "whenever possible" not assigned more than 4 teaching periods per day or three teaching periods and one administrative duty; "whenever possible" class not exceed 25 students; granted relief from duty when total exceeds 130. Newton: 4 year-long or equivalent classes; English average class size of 22 students over 3-year period. Natick: 125 student case load; 25 students per class (i.e., 5 classes); "failure to reach these class sizes … not subject to … grievance and arbitration." Watertown: 7 periods per day, consisting of at least 1 preparation and not more than 6 student supervision; not teach more than 2 subjects, 3 specific course designations, per day. Wellesley: 4 classes per day; 125 pupils.

Brookline High School actual teaching load averages: 88.8 for English, 92.7 for Math, 88.1 for Science, 92.5 for Social Studies, and 82.4 for World Language.

YEAR 2025-2026: BROOKLINE SALARIES vs. SALARIES OF DISTRICTS IDENTIFIED AS COMPARABLE BY PSB, PLUS BOSTON, CAMBRIDGE													
	Bach. Step 1	Bach. Step 5	Bach. Step 10	Bach. Step 15	Mast. Step 1	Mast. Step 5	Mast. Step 6	Mast. Step 10	Mast. Step 15	Doctorate Step 1	Doctorate Step 5	Doctorate Step 10	Doctorate Step 15
Brookline	$ 62,179	$ 74,884	$ 90,771	$ 108,531	$ 69,292	$ 82,404	$ 85,681	$ 98,794	$ 117,951	$ 77,347	$ 91,348	$ 108,847	$ 125,885
Acton-Boxboro	$ 57,187	$ 68,369	$ 87,647	$ 98,410	$ 61,581	$ 72,896	$ 76,210	$ 92,355	$ 103,847	$ 69,634	$ 81,066	$ 100,613	$ 112,604
Arlington	$ 58,492	$ 69,594	$ 87,374	$ 95,938	$ 63,120	$ 74,368	$ 77,683	$ 94,371	$ 109,142	$ 68,408	$ 80,327	$ 100,376	$ 119,053
Boston	$ 68,874	$ 90,841	$ 115,018	$ 115,018	$ 73,509	$ 96,988	$ 102,322	$ 121,164	$ 121,164	$ 86,748	$ 113,355	$ 137,539	$ 137,539
Cambridge	$ 72,214	$ 85,731	$ 117,151	$ 117,747	$ 77,302	$ 90,820	$ 94,745	$ 123,681	$ 124,277	$ 91,712	$ 105,258	$ 139,976	$ 140,572
Chelmsford	$ 59,651	$ 72,937	$ 87,676	$ 87,676	$ 66,023	$ 79,525	$ 82,899	$ 95,474	$ 95,474	$ 75,321	$ 89,775	$ 106,807	$ 106,807
Lexington	$ 60,198	$ 71,568	$ 93,489	$ 102,671	$ 64,262	$ 76,048	$ 78,987	$ 101,922	$ 115,693	$ 72,116	$ 84,737	$ 116,860	$ 133,515
Milton	$ 58,264	$ 70,750	$ 92,610	$ 97,484	$ 62,990	$ 75,850	$ 81,084	$ 97,473	$ 112,133	$ 71,365	$ 84,768	$ 106,059	$ 120,718
Natick	$ 58,207	$ 68,093	$ 83,288	$ 90,725	$ 61,827	$ 72,330	$ 75,223	$ 87,756	$ 99,800	$ 74,079	$ 86,660	$ 105,145	$ 121,032
Needham	$ 62,283	$ 72,861	$ 88,648	$ 100,816	$ 66,719	$ 78,051	$ 81,174	$ 94,961	$ 113,794	$ 79,241	$ 92,701	$ 112,785	$ 133,042
Newton	$ 61,617	$ 72,119	$ 87,303	$ 105,096	$ 66,983	$ 78,516	$ 81,287	$ 95,235	$ 116,241	$ 76,582	$ 89,768	$ 108,882	$ 130,868
Watertown	$ 68,508	$ 78,614	$ 94,745	$ 103,976	$ 73,386	$ 84,212	$ 87,159	$ 101,492	$ 111,275	$ 83,834	$ 96,202	$ 115,941	$ 126,903
Wellesley	$ 57,932	$ 68,209	$ 83,852	$ 102,594	$ 63,869	$ 75,197	$ 78,331	$ 92,225	$ 113,106	$ 73,609	$ 86,668	$ 106,294	$ 130,361
Median PSB Comparables, plus Boston, Cambridge	$ 60,634	$ 71,844	$ 88,162	$ 101,705	$ 65,143	$ 77,050	$ 81,129	$ 95,355	$ 112,620	$ 74,700	$ 88,218	$ 107,845	$ 128,632
Brookline Minus PSB Comparables, Bos., Camb. Median	**$ 1,545**	**$ 3,040**	**$ 2,609**	**$ 4,698**	**$ 4,149**	**$ 5,354**	**$ 4,552**	**$ 3,439**	**$ 5,331**	**$ 2,647**	**$ 3,130**	**$ 1,002**	**$ (2,746)**

NOTES: Salaries based on most recent on-line collective bargaining agreements. Belmont not reported for SY2025-2026. Brookline: Collective Bargaining Agreement (CBA) table includes Step 15. This chart includes 2% longevity increase for Bachelor's and Master's Step 15 for reaching maximum step and completing more than 14 full years of continuous service in PSB. Bachelor's Steps 6+ apply only to those employed and at Step 6+ during 2011-12 year. Acton-Boxborough: CBA table only to Step 12. Table includes longevity during year 10 (2% of Bachelor's Step 10) and during year 15 (3% of Bachelor's Step 10), plus "supermax" of $2,000 for years 13, 14, 15. Bachelor's lane hired after 7/1/14 not eligible for supermax. Arlington: CBA table only to Step 12. Excel Step 15 is CBA Step 12 plus $2,648 longevity for years of continuous service in Arlington School system. Boston: Career Award of $1,250 after 1 year at maximum (Step 9) through 14 years at maximum. Cambridge: A Service Step of $596 is provided upon completion of 12 years of service until the completion of 15 years. Chelmsford: CBA table only to Step 12. Longevity of $1,736 after 20 years, but not applicable to employees hired after June 30, 1994. Lexington: CBA only to Step 12. Table includes longevity of $800 in year 10, $900 in year 15. Milton: Figures assume continuation of terms of expired CBA with 2025-2026 payscale: additional compensation for service "in the Milton Public School System": $250 (for 5 yrs, applicable to Step 10); $1400 (for 10 yrs, applicable to Step 15). Art. XXIX(B). Doctorate is based on CBA table for M+45/B+75 plus $2,800 annual stipend. Art. XXIX(C). Natick: CBA jumps from Step 14 to Step 20 (with Step 20 approx. $2700 (Bachelor's) to $3,600 (Doctorate) more. Application necessary for Step 20. Needham: CBA table for B.A. has 13 steps; for M.A. & Doctorate has 14 steps. "[S]tep increases for persons on maximum…not automatic…[B]ased on [prior year] teaching performance…satisfactory to the Committee." Longevity only after 15 years of total service. Art. 31, Secs. 7, 13. Newton: CBA only to Step 14. Additional $825 for 15 years. Art. 35, Sec. 1 (longevity after 13 years of service). Watertown: CBA only to Step 12. Additional $1,500 on completion of 10 to 14 years of Watertown Public

Unreimbursed Special Education Costs for Non-Resident Students

Summary

The cost of providing Special Education services to non-resident students raises difficult questions for Brookline:

- Brookline is subsidizing the "home" or "sending" districts of non-resident (Materials Fee and METCO) students attending the Brookline schools. Those "home" districts provide no reimbursement for the cost of Special Education services that Brookline is providing.
- The State has also refused to provide reimbursement to Brookline for Special Education costs for METCO students.
- Brookline reported direct costs of approximately $30,000 per in-district Special Education student in the 2023-2024 school year, or approximately $28,000 if in-district Special Education transportation costs are not included.
- Even at the $28,000 figure from two years ago, the direct per student in-district Special Education costs would amount to approximately $4 million for the 144 non-resident students who receive Special Education services.
- The Public Schools have been unable to provide any other calculations of the cost of providing Special Education to non-resident students, raising questions for further analysis.
- The fundamental question is the extent to which Brookline can and should continue to subsidize the "home" districts of non-resident students.
- At a minimum, Brookline should collaborate with other communities participating in METCO, and particularly Lexington and Newton, to lobby at the State level for additional funding to offset costs that are being shifted from the students' "home" districts to "receiving" districts such as Brookline.

Discussion

1. Reimbursement is not provided by either the State or the "home" district for the costs of providing Special Education to non-resident students (METCO and Materials Fee).

This analysis examines costs attributable to non-resident students, and in particular Special Education costs. Although Brookline is not responsible if a non-resident student requires an out-of-district placement, it is responsible for all in-district Special Education costs for non-resident METCO and Materials Fee students.

The Public Schools of Brookline (PSB) responded to questions from the E&RSC investigating the costs of providing services to students from other municipalities enrolled

in Brookline Schools through the METCO and the Materials Fee programs. The PSB responses were provided in a document that was approved by the School Committee and is attached to its minutes of September 26, 2025.[33]

With respect to METCO, PSB reports that the State METCO grant is approximately $2.4 million, or about $8,000 per student. "[M]ore than 90% of the budget" is spent "on METCO salaries and transportation." Salaries covered by the METCO grant include a METCO director and secretary, as well as METCO counselors and liaisons at each of the schools. The grant, however, "does not cover all of the benefit expenses associated with METCO staff (director, secretary, counselors, liaisons, etc.)."[34] And while "METCO pays for bus transportation" there is an "exception [for] those that have a special need." The PSB responses made clear that the "METCO grant pays for METCO specific programming, not educational programming offered to all students at PSB." The METCO budget includes one High School Special Education teacher serving METCO students, who can provide "some services" to "non-METCO staff":

> "[T]he Brookline METCO Program also funds two literacy specialists, two math specialists, and a special education teacher at BHS providing academic services to METCO students. These specialists also provide some services to non-METCO staff."

PSB stated that prior to accepting a student it will determine whether PSB "has adequate in-district supports and space available," but did not indicate that any student was not accepted due to the cost of providing in-district services. In addition, because students are accepted in early educational years, special needs may not yet have been identified. PSB "does not currently have a cost analysis breakdown by student or student group for the provision of special education services."

As of February 25, 2026, PSB has been tentatively awarded a METCO grant, subject to final approval, of $236,198 to cover part of the salaries of ten paraprofessionals. Brookline receives no compensation from Boston for the in-district special education or other services that PSB provides to students who are residents of Boston.

With respect to Materials Fee, PSB receives approximately $3,500 to $3,600 for each non-resident Materials Fee student (children of PSB and Town staff). PSB has stated that Materials Fee operates on a "space available basis," and that the parent is asked for a copy of the student's IEP. As with METCO, however, PSB did not provide information that any

[33] Response to Expenditures and Revenue Study Committee (E&RSC) Questions, at 14-18. https://brooklinema.portal.civicclerk.com/event/14336/files/agenda/26549

[34] According to the PSB responses, $46,000 is allocated annually "to offset a portion of these [benefit] costs."

student was not accepted because of the cost of providing in-district services, and did not have a "cost analysis breakdown by student or student group for the provision of student services" to Materials Fee students. As with METCO, Brookline provides in-district special education services to Materials Fee students but receives no compensation from the students' home districts for those services.

In the absence of data from PSB providing any analysis of the cost of providing Special Education services to non-resident students, other data sources provide a basis for estimating costs.

2. The Division of Elementary and Secondary Education (DESE) provides the direct costs of in-district Special Education.

DESE reports in-district Special Education costs based on district submissions for the 2023-24 school year, the latest year for which data is currently available. [35] Although this report from the 2023 to 2024 school year almost certainly understates current in-district Special Education costs, it provides a useful indicator of the magnitude of those expenditures. Thus, Special Education in-district teaching costs in Brookline were $28,181,718; other direct in-district Special Education instructional costs (such as textbooks, equipment, supervisory guidance, and psychological services) were $4,266,028; and Special Education in-district transportation was $2,503,368. The total direct expenditures specifically related to in-district Special Education were therefore $34,951,114 in the 2023 to 2024 school year. These DESE figures do not include expenditures from grants or revolving funds.

3. PSB has provided data showing the number of resident and non-resident Special Education students, which permits the calculation of per student costs.

The following chart provided by PSB in response to the E&RSC questions shows the number of resident Brookline students, Materials Fee students, and METCO students receiving in-district Special Education services, categorized by "full inclusion," "partial inclusion," and "substantially separate" classrooms, generally reflecting increasingly higher staff-to-student ratios and therefore expenses.

	Residents	**Materials Fee**	**METCO**	**Totals**
Full Inclusion	780	29	84	893
Partial Inclusion	154	6	16	176

[35] https://www.doe.mass.edu/research/radar/, then "Special Education Direct Expenditure Trends." Or: https://docs.google.com/spreadsheets/d/1IgaqAI8NM9Yy2s8wyDENOlUvV-86FuYsc-jMeSEW2qU/edit?gid=1221729753#gid=1221729753

Substantially Separate	82	5	4	91
Total in-district Special Education	1,016	40	104	1,160
Total In-District Student Enrollment	6,380[36]	191	299	6,870

Although this data is from the 2025 to 2026 school year, it provides a useful indicator of the expenditures per student for in-district Special Education.[37] Thus, direct Special Education costs per in-district IEP student can be estimated at $30,130 ($34,951,114/1,160). Teaching and other instructional costs, eliminating any transportation costs, result in a $27,972 ($32,447,746/1,160) cost per in-district Special Education student. These figures exclude any expenditures from grants or revolving funds. They also do not include any escalation in costs over the intervening two years. Finally, they do not include general education expenditures not directly related to Special Education.

Applying the average $27,972 cost – from two years ago – attributable to direct Special Education expenditures to the 40 Materials Fee students results in a total cost of $1,118,880, unreimbursed by the sending district or otherwise. And applying that $27,972 cost to the 104 METCO special education students yields a total cost of $2,909,088– using costs from two years ago – unreimbursed by Boston, the State (other than the pending grant), or any other entity. The total is over **$4 million**.

It has been argued that non-resident Special Education students add little or no additional cost because they simply fill empty "available" spaces. It is recognized that the $28,000 and $30,000 figures are average costs, but PSB has not provided any alternative cost allocation. Moreover,

- Given that non-resident students make up 12.4% (144/1,160) of the total in-district Special Education cohort, it is unlikely that they all simply fill otherwise unused spaces at no additional cost.
- While non-resident students do not receive out-of-district placements at Brookline's expense, a significantly higher percentage of non-resident in-district students than resident in-district students receive Special Education services (Materials Fee – 40/191 or 20.9%; METCO – 104/299 or 34.8%; resident – 1016/6380 or 15.9%), also undercutting the "little or no cost" argument.

[36] There were, in addition, 78 resident students receiving out-of-district education, providing a total of 6,948 students enrolled in the Brookline Public Schools.

[37] The total of 6,948 PSB students in SY25-26 is substantially equivalent to the total of 7,023 PSB students in SY23-24, allowing data from the two years to be used to derive per student cost estimates – particularly since the SY23-24 cost data almost certainly understates current expenditures.

- Nine non-resident students are in "substantially separate" classrooms, and 22 in "partial inclusion" settings. It would, for example, be useful to receive information on the associated costs, including special educators and aides.
- It would be useful to receive information on the number of non-resident METCO and Materials Fee students whose IEP requires an aide, or a shared aide, and the resulting cost.
- It would be useful for PSB to report on the number of non-resident applications, if any, that have not been accepted during, for example, the last three years because of anticipated in-district Special Education costs.
- An August 11, 2025 analysis by John Doggett reported that, in 2023, Brookline ranked 25 out of 31 communities receiving METCO grants to offset costs. Brookline received an average of $6,670 per METCO student, with the average of METCO cities and towns being $8,026. If Brookline had received just the average amount, the annual METCO grant would be approximately $400,000 larger.
- Brookline, along with Newton and Lexington, accepts the largest number of METCO students in eastern Massachusetts.

The bottom line is that Special Education costs for non-resident students provide a direct subsidy to the sending districts, who avoid those costs for students receiving services in Brookline. The State to date has not allocated sufficient funds to reimburse Brookline and other METCO-receiving districts for the substantial costs they are incurring. Can existing practices be maintained in the face of the Town's substantial projected deficits, short of reducing the number of non-resident students? At a minimum, Brookline should promptly collaborate with Newton and Lexington to lobby for additional State funding to offset the costs that are being shifted from Boston and being borne by those three communities, as well as other "receiving" communities.

Revenue Enhancement Opportunities

Facilities Rentals

Overview

Brookline ("Brookline" or the "Town") may have significant untapped revenue opportunities regarding the use of its parks and athletic facilities, including facilities located within the Town's schools. A comprehensive adjustment to the management of diffused operations could serve the dual purpose of maximizing revenue from town facilities and strengthening access to affordable youth athletic programming for Brookline families. These two positive outcomes could be achieved through centralizing and homogenizing processes, improving transparency, establishing clear authorities, responsibilities accountability in facilities usage and the development and establishment of a clearer, more coherent model for managing youth athletics opportunities for children in Brookline.

As discussed below, the subcommittee notes that the buildings are Town assets. The subcommittee acknowledges the PSB has programming, including after-school and extended day programs, that primarily run until 5:30 PM. That will not and should not be impacted by any of our recommendations. However, as discussed below, there should be only one party responsible for the tasks mentioned above.

Background

To appreciate the potential revenue opportunities around town facilities, one must first understand the current allocation and operations of recreational facilities in Brookline.

Town facilities currently are managed through a fragmented system where the responsibility for scheduling and allocation is shared by the Brookline Recreation department ("BREC") and the Public Schools of Brookline ("PSB"). Usage scheduling and janitorial services for inside school buildings are essentially controlled by PSB while scheduling and facilities management for external fields are managed by BREC. This is despite the fact that the buildings are owned by the Town. Town athletic facilities located inside school buildings are scheduled by PSB according to the following priorities (in order): 1. in-school activities, 2. after-school programs (until 5:30pm on school days), and 3. either BREC usage or private rentals to outside entities. The ultimate allocation of interior facilities to BREC for its programming is the result of a burdensome continuous negotiation process between these two departments, requiring constant back and forth correspondence. Scheduling decisions appear to be based on informal legacy precedents because there is no formal signed agreement governing the use of these facilities. In fact, numerous parties have commented to us that the Town has been without a signed memorandum of understanding governing facilities usage for over three decades.

Similarly, rental of Town athletic facilities is also a bifurcated process. Exterior facilities rental requests are made to BREC via their website whereas town athletic facilities located inside school buildings are rented by navigating several levels deep in the PSB website to find a link to the application form. Neither department has a public-facing calendar

showing which facilities are available to rent, including costs, time slots, etc. and there is no publicly shared information as to the cycle of releasing facilities for rental (e.g. summer rental inquiries are accepted on February 1st). When PSB staff are specifically pressed on this issue via email inquiry, customers are told to check back in the future.

Both departments require potential renters to complete a non-fillable pdf form where you request locations, dates and times and submit via email. If requested facilities are not available, customers engage in a lengthy series of queries via email to determine what, if any, space can be rented. If a facility is available confirmation is made via informal email correspondence.

Renters do not receive a signed contract reflecting the invoiced amount with a contract/confirmation number. Furthermore, while the application indicates that checks should be mailed to the Town of Brookline, there is no mechanism for electronic payment or other formalized process to ensure that the Town collects funds at the time of rental confirmation. While the PSB contract asks for proof of insurance naming the town as an additional insured, in practice customers are not required to submit the certificate as a prerequisite to having a contract approved. The result of this system is an inefficient process that results in the following:

Fragmented Facilities Control, Lack of Transparency, and Missed Recreational Department Revenue

With limited public clarity around decision-making authority, the handoff between BREC and PSB creates inefficiencies around scheduling and operations that results in turbulence for town staff at PSB and BREC, vendors who support BREC programming, and entities that rent or attempt to rent facilities.

In addition, because PSB currently considers any rental revenue as earned revenue for PSB, they may be incentivized to limit BREC space allocation (and BREC revenue opportunities) by prioritizing other external rentals even if those entities have no connection to the Brookline community. This results in restrictions to BREC programming revenue opportunities both through reduced program offerings and lost revenue due to delays in launching programs because of extensive negotiation for space. The subcommittee urges a reevaluation of how facilities revenue is collected and shared. Policies should also address incentives and disincentives and be clear as to a hierarchy of users.

Compounding this issue:

Long-standing third-party agreements (e.g., with external operators or leagues) appear to grant priority access at rates well below market value and/or allow for entities who are potentially paying non-profit rates when they are in-fact for-profit entities. The subcommittee has been told of parties that have interacted with outside staff privately renting facilities through PSB who have represented they are a non-profit while their website publicly indicates that they are a private equity-backed for-profit corporation. What

representations were made to PSB regarding their entity status and their resulting rental rates are unknown but should be verified under the regime we suggest.

The subcommittee has also been made aware of instances where facilities are used by entities who have not directly contracted with the town. This suggests there may be parties that contract and rent space from the Town and then sub-rent that space to others. To the extent that is true, the terms of such agreements should be examined to ensure the Town is maximizing its revenue opportunities. The inefficient system we currently have, which requires staff time that is better focused elsewhere, may be resulting in a 'path of least resistance' that is suboptimal.

This lack of a unified system makes it challenging for Brookline to track permitted use, enforce agreements, fully maximize town revenue opportunities, or ensure that facilities are being used in ways that align with Brookline's priorities for youth and community benefit.

Bifurcated and Antiquated Rental Process results in Missed Facilities Revenue Opportunities & Increased Risk

Without a unified oversight system, the Town likely is missing opportunities to bolster its General Fund through facilities rental.

No unified public calendar results in lost rental opportunities. While large gyms are a sought-after commodity, there is no central way to check all available space, making it difficult for new customers (non-profit entities or for-profit operators) to rent facilities and create a competitive market with legacy operators who may be utilizing space at discounted or historical pricing. Other spaces may go entirely unrented due to the laborious process of determining what space is available.

Underpriced Assets. Public assets may be rented at rates far below the regional market average. Is there a database of customers and rental rates paid?

Untracked Receivables. The fragmented nature of booking and lack of oversight makes it difficult to verify if all permitted use is accurately invoiced and collected. The Town should be able to collect payments upfront prior to releasing space for rental and limit extensive receivables and collection costs.

Increased Liability and Other Risk Exposure. The absence of a contracting workflow for facility rental exposes Brookline to significant liability risk. The absences of signed final contracts detailing the rental terms, other standard contracting processes and procedures verifying contract compliance creates unnecessary risk exposure for the Town.

Ultimately, these issues, combined with what some have said is the absence of a coherent vision for youth athletics in town, has broader community repercussions. There is no shared mission statement or guiding framework that aligns schools, recreation, and external partners around long-term athletic development, equity of access, or community outcomes.

The repercussion of this absence of a broad vision and professional management manifests itself in several ways:

Youth athletic opportunities are often constrained by perceived scarcity rather than strategic planning.

Families with financial means increasingly seek private, out-of-town options, while those who rely on Town programming face limited access and choice. This is both an equity and financial issue. The *New York Times* recently reported that youth sports is a $40 billion industry and to the extent that facilities management challenges are hindering offerings in town, the operational inefficiencies, lack of coherent vision and cross-departmental friction create a missed revenue opportunity for Brookline through lost BREC registration revenue and missed facilities rental fees.

The net effect is a fragmented youth sports ecosystem that does not consistently serve Brookline's young people or reflect the Town's broader educational and civic values.

What sort of revenue are we talking about?

In the absence of information about how the facilities are currently managed, to whom they are rented, when they are rented, what rates are being paid, what expenses are being incurred, etc. an accurate estimate of marginal gross or net revenue opportunities is impossible to produce.

On the other hand, it is possible to look at a 'what if' scenario. The attached pages do just that. The scenario has the following assumptions and caveats:

1. 100% for-profit rental rates at 100% rental utilization with a few weeks of non-utilization time for Christmas and Thanksgiving weeks.
2. This scenario only looks at the core athletic facility rentals and not the entire set of rental opportunities across the Town's school buildings.
3. The analysis does not include BREC exterior facilities (i.e. Downes, Skyline, other parks, etc.) although a similar analysis would be beneficial to visualize the complete athletic revenue opportunity for the Town.
4. The analysis does not include unreimbursed costs to keep facilities open, but some of those costs (custodial) are being incurred anyway.

With the presently available information, it is unknown how much time BREC uses the facilities, which will decrease the numbers. Further, currently existing contracts with vendors/subs such as Netresults and Viking would decrease the achievable revenue in the short-term but not necessarily in the long-run as those contracts come up for renewal.

Next steps and recommendations[38]:

It must be noted that the identification of the issues discussed above is not new. Attached as Appendix A is a write-up from the 2014 Override Study Committee, which itself references a report from the 2012 'Out of School Time Review Report'. It does not appear there has ever been a formal exploration of the issues and suggestions contained in the 2014 report. That means that neither the Town nor the PSB have made a serious attempt to determine whether the consistently identified opportunities are truly achievable.

To that end, it is recommended that the Town explore a defined pilot program beginning July 1, 2026, running through June 30, 2027, to test a more coherent model of facilities governance and youth athletics coordination.

At a high level, this pilot would:

1. Designate one or two facilities (e.g., Runkle, FRR and/or Driscoll) for unified oversight. Establish clear rules for access, pricing, scheduling, and accountability.
2. Prioritize Brookline youth and schools while transparently managing external and adult use
3. Track utilization, revenue, equity of access, and community outcomes.
4. Via agreement, ensure the needs of the PSB with respect to:
    a. building control during the school day (including extended day),
    b. ability to reserve space for identified special events at the beginning of the school year and during the school year with an agreed-upon number of days' notice (e.g. 60),
    c. securing the buildings during off-hours by restricting access outside of the facility being rented
    d. protecting equipment and the premises and ensuring post-activity clean-up of the facility
    e. addressing other matters of concern identified by PSB prior to the commencement of the pilot program.

The pilot would allow the Town to test a better system in a controlled, data-driven way—demonstrating whether improved governance can simultaneously strengthen youth development, reduce fragmentation, and improve fiscal stewardship. If successful, the model could be expanded to non-recreation facilities such as parking.

[38] This memorandum was created with the assistance of Robert Kwak and Chris Cook, Brookline residents with extensive experience in coaching and the operational side of youth sports. Chris is a former school administrator, high school coach, athletic director, author of a book on school principal leadership and father to children who attend PSB. Robert has significant experience coaching at the youth, high school, and collegiate level. He has served as a coach for Brookline High School's boys lacrosse program in both a staff and volunteer capacity and has served in a board leadership role. for the town's youth lacrosse program. His extensive background in operations, finance and logistics management has been invaluable in identifying the issues, and opportunities, with the current structure of facilities usage and management. Robert and Chris are co-founders of Unit 1 Athletics LLC, a youth sports entity devoted to elevating high-quality, community-based youth sports opportunities for athletes in Brookline. Their input is derived from their firsthand experiences and conversations with parents, volunteer coaches, leaders of other youth sports organizations, town employees across departments at both the management and line-staff level, elected officials, and children.

The subcommittee strongly recommends that the pilot described above be managed by BREC. The Public Schools of Brookline are not responsible for the care and maintenance of Town assets. They also, particularly given staffing and budgetary challenges, are not organized to focus on the professional management of a non-educational enterprise requiring significant attention and logistical capabilities.

We will not address the issue of where revenue should lie. But we would highlight the need to understand if any revenue is required to be collected in a revolving or enterprise fund and, if so, would ask the question of whether certain expenses, such as debt service and depreciation for buildings (both of which are attached to these Town-owned assets) could be charged against revenue.

Finally, it is important to note, and emphasize, that the subcommittee perceives this to be a systems failure and does not intend these observations and suggestions to be a criticism of specific individuals in the Town. The subcommittee recognizes and appreciates that many town employees operate within a resource-constrained structure and are often asked to take on expanded duties that sometimes push the boundaries of their job scope.

BEEP Tuition Analysis

Summary

Based on the analysis of the BEEP full day and extended day programs, their costs and revenues, and comparable public and private preschool programs presented in this document, **it is the sub-**committee's recommendation that the Brookline School Committee (SC) and the Public Schools of Brookline (PSB) deeply review the tuition being charged for both full and extended day programs, as the programs are offered for less than market rate, as well as less than the cost of the program itself. In addition, it is the subcommittee's recommendation that the SC and the PSB raise the tuition charged for BEEP Extended Day to cover costs or find a less expensive way to provide services.

Background

In partnership with families and the community, the mission of the Brookline Early Education Program (BEEP) is to provide an inclusive, joyful, high quality early childhood education where children from ages 3 to 5 can learn social competency, develop cognitive, motor and language skills and expand their understanding of themselves and the world in which they live[39]. BEEP was founded in 1972[40] in collaboration with Boston Children's Hospital as a research project.

Researchers sought to identify the components of high quality early education, and the impact of attendance in preschool/pre-kindergarten on future student success. Final results indicated that this attendance had a significant positive impact on future academic success as well as other life factors.

BEEP has a total of 24 classrooms at seven locations[41] (4 that are preschool serving children 2.9 to 3.2 years of age, and twenty that are pre-kindergarten serving children from 3 to 5 years of age.) Each classroom includes a lead teacher and two educational support paraprofessionals. The program also includes a principal, a bookkeeper, two early childhood program coordinators, a social worker, three BEEP team facilitators, speech and language pathologist, occupational therapists, a physical therapist, school nurses, a psychologist, and a board certified behavior analyst. There are waiting lists for BEEP, although in practice the lists vary by location, as parents and caregivers provide 1st, 2nd, and 3rd preferred locations when they apply. Florida Ruffin Ridley and Driscoll are the most popular locations. The application lottery names are selected on March 1st each year, and

[39] https://beep.psbma.org/about-us/mission-philosophy
[40] https://beep.psbma.org/about-us/program-history
[41] https://resources.finalsite.net/images/v1768583638/brooklinek12maus/epzuanwrqwkmqfd71dso/BEEPFamilyHandbook2025-2026.pdf

for 2026 there are 45 two year old applicants, of which twenty will be on the wait list. For 3 year olds there will be fourteen on the wait list, and for 4 year olds there will be seventeen.

BEEP is an inclusive program, which means that there are students with disabilities as well as "typically developing peer" (TDP) students in the same classrooms. The Massachusetts Department of Elementary and Secondary Education (DESE) regulation 603 CMR 28.00[42] defines inclusionary settings standards for public school programs as those that must "integrate children with and without disabilities, the class size shall not exceed 20 with one teacher and one aide and no more than five students with disabilities. If the number of students with disabilities is six or seven then the class size may not exceed 15 students with one teacher and one aide."

BEEP also participates in the PSB Financial Assistance program[43] that provides a prorated subsidy for households earning less than 350% of the US Department of Health and Human Services Poverty Guidelines. Households of students who qualify will pay 0%, 25%, or 50% of the program fee for BEEP. A small number of students with disabilities are not eligible for

full-day special education services and thus pay full or partial tuition (based on financial need), while students with disabilities who require full-day services by law are not charged tuition; the costs of their education are supported by the PSB general fund. Students without disabilities pay all or partial tuition (again, based on financial need), with a revolving fund set up to manage those revenues and expenses. The revolving fund pays for early childhood teachers, the social worker, the paraprofessionals that serve the tuition paying students, the secretary, the bookkeeper, and the music teacher. When BEEP classrooms are located in K-8 schools, the school nurses for those schools also serve BEEP students.

Enrollment Data

For reference throughout this report, the following data is presented, taken from the FY27 PSB initial budget request[44]. **Table 1** shows broken out enrollment figures for the current school year for those students on IEP services only (while they have IEPs, the level of services needed is limited and thus they still pay partial/full tuition), full IEPs (do not pay tuition), and those receiving IEP services only (not enrolled, do not pay tuition). It also shows that there are 42 students on partial or full financial aid.

[42] https://www.doe.mass.edu/lawsregs/603cmr28.html?section=06
[43] https://www.psbma.org/district/administration-finance/financial-assistance
[44] https://resources.finalsite.net/images/v1770327724/brooklinek12maus/crslhmutdkolwjcnwcmj/FY27ProposedBudget2526docx.pdf

Table 1. BEEP IEP and financial assistance data for FY26

Number of Individual Education Plans	
IEP Services only	16
IEP Full Program	40
IEP Services only not enrolled	16
Total IEPs	**72**

Total Financial Aid Seats: 42

Table 2 shows enrollment per site for the past five school years and projected near-level FY27 enrollment. By comparing these two tables (**Table 3**), we can see that of the 253 enrolled students, 40 have full IEPs and 213 students, are considered TDPs. At the typical inclusive classroom ratio of ⅓ students with IEPs to ⅔ TDP, 80 of the TDP students are required, and the other 133 are not.

Table 2. Enrollment per site SY21-22 through SY25-26 with SY26-27 (projected)

Location	FY22 2021	FY23 2022	FY24 2023	FY25 2024	FY26 2025	FY27 2026	Change
Beacon	48	50	46	47	46	47	1
Clark	64	64	33	0	0	0	0
Driscoll	0	0	32	52	40	41	1
Hayes	0	0	0	16	16	16	0
Lynch	54	50	55	50	54	52	-2
Putterham	43	52	42	46	52	48	-4
Ridley	31	26	32	32	30	30	0
Runkle	15	15	16	16	15	16	1
Total Enrollment	**255**	**257**	**256**	**259**	**253**	**250**	**-3**

Table 3. Breakdown of total students, representing those with IEPs, tuition assistance, needed TDPs, and TDPs in excess of the needed

FY26 Enrollment	
All students	253
IEP Full Program	40
typically-dev peers (TDP)	213
fin. assistance	42
tuition-paying	171
needed TDP (2/3 of class)	80
excess TDP	133

BEEP School-Day Program

Comparable Programs Cost Comparison

The current tuition cost of school-day BEEP for SY25-26 is $16,740 (analysis regarding BEEP Extended Day (ED) is in the final section of this document.) Data was gathered on a number of peer community preschools, other Brookline public preschools, and some Brookline private preschools (shown in **Table 4**.) From purely a tuition per year out of pocket standpoint, BEEP is

$6,134 less expensive than the average cost of five comparable programs (one public, four private) operating in Brookline. The SC has voted to increase the tuition for BEEP in SY26-27 by 8% ($18,079) and again by another 8% in SY27-28 ($19,526.) Note that PSB is one of two public programs and as the official district program, the only program with an inclusive mandate.

Table 4. BEEP comparable programs with annual plus cost/hour data

Public/ Private	City/Town	School	Full Day Days & Hours of Operation	Extended Day (ED) Days & Hours of Operation	Operating Weeks	Day Tuition/ Year	Day Hours/ Week	ED Cost/Year	Max ED Hours/ Week	Day Cost/ Hour	ED Cost/ Hour	Blended Cost/Hour	
Private	Brookline	Clinton Path Preschool	8:30a - 12:30p M-F	12:30p - 5:30p M-F	43	$15,033	20.0	$13,285	25	$17.48	$12.36	$14.63	
Public	Brookline	Soule Early Childhood Center	8:00a - 4:00p M-F	-	43	$21,150	40.0			$12.30		$12.30	Average cost of preschools to the left shown in red :
Private	Brookline	Apple Orchard School	8:30a - 12:15p M-F	-	52	$21,200	18.8			$21.74		$21.74	$22,874
Private	Brookline	The Children's Center of Brookline	8:00a - 4:00p M-F	-	52	$25,140	40.0			$12.09		$12.09	Difference between average cost and day program cost of BEEP :
Private	Brookline	Little Children's Schoolhouse	7:00a - 6:00p M-F	-	52	$24,700	55.0			$8.64		$8.64	$6,134
Private	Brookline	Trust Center for Early Education	9:00a - 3:00p M-F	3:00p - 6:00p M-F	43	$22,182	30.0	$4,254	12.5	$17.20	$7.91	$14.47	Average cost/hour of preschools to the left shown in purple :
Public	Brookline	**Brookline Early Education Program**	8:00a - 2:30p M-Th 8:00a - 1:40p F		43	$16,740	31.7			$12.29		$12.29	$18.81
		BEEP @ Beacon - TCEE ED		2:30p - 5:30p M-Th 1:40p - 5:30p F	43			$4,254	15.83		$6.25	$10.28	Difference between average cost/hour and day program cost of BEEP :
		BEEP @ Lynch ED		2:30p - 5:30p M-Th 1:40p - 5:30p F	43			$9,000	15.83		$13.22	$12.60	$6.51

There are a number of factors that come into play when evaluating the cost of preschools. Programming is offered at many different time blocks. Pre-schools charge tuition generally on a one, two, or four week/monthly schedule, which covers all operating hours provided by the preschool. Missed days or unused hours are not refunded to parents and caregivers. Some preschools operate year round, however many do not offer programming over the summer months (generally July and August), but some do provide different/summer programming (those programs and costs were not included in the analysis.) Public programs (including BEEP) follow the PSB calendar regarding holidays and teacher training days, while private day cares tend to set their own calendars with regards to holidays and closures. A very small number of preschools offer “early drop-off” hours for an additional fee, those hours and fees were not included in the analysis. With those caveats, operating

weeks, hours, and costs were broken out and combined into a calculated day program cost per hour to allow for a more apples to apples comparison across preschools. BEEP school-day costs $12.29 per hour, which is very close in cost to one other public option and one private option, but is $6.51 per hour less expensive than the average cost of three comparable programs (all private.)

BEEP School-Day Cost of Operation

Another way to evaluate tuition prices is to compare those charges to the total cost per student. There are many sources of funding for BEEP - tuition (which is accrued to the Revolving Fund, as mentioned earlier), the PSB General Fund, the Capital Improvements Plan (which funds the leases that house the Beacon and Putterham locations), and various grants and donations from public and private groups (representing minimal funding, thus not presented). Looking at information on revenues and expenses for BEEP in the General and Revolving Funds in the PSB FY27 Initial Budget Request document, and including employee benefits and lease costs, the FY26 cost per BEEP student is $42,832, which rises to $46,765 in FY27 (shown in **Table 5**.)

Table 5. Broken out BEEP costs and cost per student for FY26 and FY27

	FY26 Salary	FTE	FY26 non-Salary	FY26 Capital	FY26 Benefits	FY26 Total Expenses
General Fund	$3,674,667	53.4	$89,975		$1,397,182	$5,161,824
Revolving Fund	$3,552,528	48	$104,320		$1,255,894	$4,912,742
CIP				$761,948		$761,948
TOTAL	$7,227,195	101.4	$194,295	$761,948	$2,653,076	$10,836,514
					per student	$42,832

	FY27 Salary	FTE	FY27 non-Salary	FY27 Capital	FY27 Benefits	FY27 Total Expenses
General Fund	$3,841,726	52.5	$36,535		$1,616,687	$5,494,948
Revolving Fund	$3,804,444	48	$104,320		$1,478,114	$5,386,878
CIP				$809,342		$809,342
TOTAL	$7,646,170	100.5	$140,855	$809,342	$3,094,802	$11,691,169
					per student	$46,765

However, the general fund covers mandated special education costs. **Table 6** shows the costs of the program that are related to special education, and the parts of the program that are not. Of the total $10.837M program cost for FY26 shown in **Table 5**, $5.162M is the cost of running the mandated special education program. The balance, $5.675M, is the non-mandated program. Per TDP, that cost in FY26 is $26,642. In FY27, the cost of non-special education is $6.196M, or $29,506 per TDP.

Table 6. Cost breakdown for FY26 and FY27 showing allocation of special education costs versus excess costs that the breakeven tuition[45]

FY26 Cost Breakdown		
TOTAL SPED	$5,161,824	cost to run the mandated special education inclusive program
EXCESS COST	$5,674,690	total program cost less cost to run inclusive program
Breakeven	$26,642	excess costs per TDP

FY27 Cost Breakdown		
TOTAL SPED	$5,494,948	cost to run the mandated special education inclusive program
EXCESS COST	$6,196,220	total program cost less cost to run inclusive program
Breakeven	$29,506	excess costs per TDP

As mentioned prior, the SC has voted in spring 2025 to increase BEEP tuition by 8% per year for FY26-28, increasing it to the current $16,740, in SY26-27 to $18,079, and to $19,526 in SY27-28. **Table 7** presents the tuition/breakeven ratio for FY26 and 27 using the data from **Table 6**, and for FY28 using a 5% estimated increase in costs. *If cost increases are lower or higher than 5%, the calculations will need to be updated accordingly*. One cost that is expected to change is the cost of occupancy. With the completion of the Pierce School renovation in fall 2027 (FY28), the BEEP Beacon site will move to Pierce. Starting in FY28 or 29 this will save at least $300,000 per year currently being paid to a third party. On the other hand, the 39 classrooms at Pierce are in a $207 million facility with approximately $15 million in annual debt service. Allocating a proportional amount of that debt service to the BEEP classrooms at Pierce would add at least as much cost as is being eliminated with the disappearance of the lease expense.

Table 7. Charged Tuition, Breakeven Tuition, and Charged Tuition-to-Breakeven Tuition Ratio for FY26-28

	Tuition	Breakeven	T/B
FY26	$16,740	$26,642	0.628
FY27	$18,079	$29,506	0.613
FY28	$19,526	$30,981	0.630

It is also important to remember that while these calculations base tuition off the number of TDPs, there are TDPs who are eligible for partial or full financial aid, and therefore the

[45] The Schools Subcommittee discussed whether the excess cost of educating the number of TDPs required to meet the inclusionary standard should be removed from this calculation. However, the Subcommittee did not agree with that approach, as in essence that would mean if there were only 80 TDS, that no costs would be assigned to those students and that there could be no tuition as the revolving fund would have no expenses to charge against.

actual tuition per TDP needed to breakeven would be higher than what is shown above. As shown in **Table 3**, 42 of the 213 TDPs in FY26 received some level of financial aid.

School Day vs. Half Day Comparison

Before SY24-25, BEEP had been operating in a half day model - school run Monday through Friday, starting at 8:00a and finishing at 12:15p. In a presentation from PSB in February of 2023 (see Appendix: BEEP Budget Presentation February 2023) plans were proposed to extend BEEP to a school-day model in SY24-25 - matching the K-8 start and stop times across the district (Mondays through Thursdays, 8:00a - 2:30p, and Fridays 8:00a - 1:40p.) The increase in instruction time would push general education/inclusive PK teachers from 0.85 to 1.0 FTE, and paraprofessionals from 0.67 to 0.85 FTE. To offset the increased cost, planned tuition for SY24-25 was proposed to be $17,500 to cover the increased hours/week from 21.25 to 31.7, which was $5,291 higher than the planned $12,209 tuition for

SY23-24. The actual tuition in SY24-25 ended up being $15,500 which, as shown in **Table 9,** did not cover the incremental cost increase of staff salaries using a tuition-paying student estimate of 200. Estimated costs for staff in FY23-24 were made by taking the revolving fund expenses from fall of 2025, reducing downward by 3% to adjust for FY2026 to FY2024, and using the same preschool teacher to paraprofessional cost ratio as the costs from the BEEP general fund budget (ratio of preschool teach to paras was similar between the special education and preschool staffing numbers.) These estimated costs should be updated with actual costs from PSB. Note that as all staff were already greater than 0.5 FTE, they were all already eligible for benefits, and therefore no additional benefit costs were added to the calculations. It is unclear why the planned tuition increases to $17,500 as part of the move to full day BEEP did not occur.

Table 9. Increased full-day operating costs vs. increased full day tuition

Staff	SY23-24 Estimated Costs	# of Staff	Original FTE %	Equivalent # to Estimate Average Cost	Average Cost	New FTE %	New Equivalent # to Estimate Average Cost	New Estimated SY24-25 Cost	**Cost Delta From Estimated SY24-25 Cost to Actual SY23-24 Cost**
PK Teachers	$2,031,661	20	0.85	17	$119,509	1	20	$2,390,189	**$358,528**
Paraprofessionals	$955,305	34	0.67	22.78	$41,936	0.85	28.9	$1,211,954	**$256,649**
								TOTAL	**$615,177**

Tuition Paying Students	SY23-24 Tuition	**SY24-25 Potential Tuition**	SY23-24 Tuition Revenue	**SY24-25 Potential Tuition Revenue**	Revenue Delta From SY23-24 to SY24-25	**Cost Delta From SY24-25 Revenue Delta to SY24-25 Cost Delta**
196	$12,209	-	$2,392,964	-	-	-
196	-	**$15,500**	-	**$3,038,000**	$645,036	**$29,859**
196	-	**$17,500**	-	**$3,430,000**	$1,037,036	**$421,859**

BEEP Extended Day Program

BEEP operates an Extended Day program at the Beacon St. location through partnership with the Trust Center for Early Education with payments and operating costs being handled by TCEE, and at the Lynch location on site with payment and operating costs being handled by the PSB. The analysis that follows is strictly related to the PSB-operated Lynch program.

BEEP Extended Day Cost of Operation

Through information provided by PSB[46] the estimated cost of providing ED to 30 students is $376,271. This includes salaries of $196,271, and benefit costs of $180,000. At a tuition cost of $9,000 per year per student, this creates an operating gap of $106,271 in SY25-26. Tuition increases in SY26-27 to $1,100/month, and in SY27-28 to $1,300/month will allow the program to break even in SY27-28, ***but, as shown below in Table 10, that is only if costs do not increase during that time***.

Table 10. BEEP program data including costs

School Year	BEEP ED Cost	# Students Enrolled	Annual Tuition Cost	Revenue	Delta
FY25-26	$376,271	30	$9,000	$270,000	-$106,271
FY26-27	$376,271	30	$11,000	$330,000	-$46,271
FY27-28	$376,271	30	$13,000	$390,000	$13,729

[46] https://www.psbma.org/fs/resource-manager/view/8de9e6d8-0c44-489a-b940-04f2bcd7ff0e

Other Analysis and Recommendations

Enrollment Forecast Policy

Accurate enrollment forecasts are critical for planning and budgeting purposes. Even before the shock of COVID-19, years of flawed methodologies led to a period of underestimating future enrollment followed by a period of overestimating future enrollment. This roller-coaster created an environment in which the PSB and the Town were in a constant reactive state, making annual and longer-term planning difficult.

No long-range forecast will ever be 100% correct and the longer the forecast, the less reliable the numbers in the 'out-years' will be. On the other hand, one-year forecasts, which may have a high degree of accuracy, do not provide any guidance that can be used to develop intermediate to longer term operational or capital planning.

Brookline has the additional challenge of having a highly transient population. Because the Town has many rental properties and because Brookline has long been a preferred location for international graduate students and professionals coming to the area for shorter-term assignments or training, the PSB experiences an extraordinary amount of 'churn'. Churn is turnover in the student population and includes new students moving into Town, existing students moving out of Town and existing students moving to a different part of Town. The latest DESE data[47] shows that among DESE-identified peer districts, Brookline is third for churn, behind only Cambridge and Watertown, as well as for intake (students who enroll after the start of the school year), another hallmark of the highly transient population.

Recent Models used by PSB

In 2019, the PSB retained the firm of Cropper-McKibben to provide a long-range demographic and enrollment forecast[48]. With the onset of COVID, the assumptions of this report were quickly invalidated. Given the unprecedented situation, the PSB utilized ad-hoc enrollment estimates incorporating historic data of enrollment of international students, cohort survival rates and assumptions around the possibility that initial COVID-influenced enrollment changes due to travel and Visa restrictions would trend back to historic levels.

In 2023, the PSB hired Cropper-McKibben to update the previous demographic/enrollment report[49]. The forecast (see summary table below) showed a gradual reduction of students, to a low in 2027-28, followed by an increase over the next six years, but still at a level more than 5% below the 2018-19 pre-pandemic peak of 7,855.

[47] https://profiles.doe.mass.edu/statereport/mobilityrates.aspx
[48] https://www.psbma.org/fs/resource-manager/view/dd07d2e0-d914-4898-b25e-00eb975e567f
[49] https://www.psbma.org/fs/resource-manager/view/e33b9111-f183-4cb8-8bd2-10748ca98a3e

	Actual Data					Projected by Cropper McKibben[4]									
	19-20	20-21	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33	33-34
Pre-K	252	144	255	257	256	256	256	256	256	256	256	256	256	256	256
Total K-8	5,446	4,703	4,586	4,716	4,610	4,581	4,611	4,588	4,635	4,659	4,684	4,733	4,827	4,955	5,075
Total 9-12	2,064	2,017	2,063	2,066	2,155	2,143	2,062	2,073	1,995	2,018	2,110	2,129	2,162	2,133	2,113
Total K-12	7,510	6,720	6,649	6,782	6,765	6,724	6,673	6,661	6,630	6,677	6,794	6,862	6,989	7,088	7,188
Total Pre-K-12	7,762	6,864	6,904	7,039	7,021	6,980	6,929	6,917	6,886	6,933	7,050	7,118	7,245	7,344	7,444

Most recently (last year for 2025-26 and this year for 2026-27), for year-to-year enrollment projections, PSB has used the following methodology: for kindergarten, the enrollment figure for the incoming class was the arithmetic average of the class size for the prior three school years. For grades 1-12, the projected class size was the average 3-year survival rate applied to the prior year advancing class. For example, for 2025-26 8th grade, it would be the number of children in the 2024-25 7th grade multiplied by the average survival rate of the 7th grade cohorts that moved to the 8th grade in 2022-23, 2023-24 and 2024-25.

This model does have a reasonable level of accuracy for a one-year period. However, it is retrospective, with no consideration given to structural or demographic information that can provide guidance for how the Town and PSB should plan. The most obvious data ignored is new residential construction, which will almost always result in additional school-aged children in the district where construction occurs. Other issues include changing demographics, changing birth rates, changing economic environments, changing political environment, etc. Some of these topics are dealt with in the demographic forecast provided by Cropper-McKibben. The district has not yet attempted to explicitly include the data in its planning or determined whether it is possible, or useful, to use the data in its short-term model.

Subcommittee Views and Recommendations

Retrospective methodologies contributed to Brookline being caught off-guard by the prior (pre-COVID) enrollment boom. The subcommittee does not believe the PSB can, or should, rely solely on the methodology it currently employs and that it needs to both use the longer-term forecast for “what-if” scenarios/planning, and, if possible, incorporate some of the assumptions into its short-term models. Cropper-McKibben or another similar vendor should also be retained on a routine (every 3 years) basis to update the long-term forecast; the subcommittee understands that the School Committee and staff have discussed this and reached the same conclusion, though to our knowledge no firm has yet been retained. Our recommendation is that the PSB commit to this recommendation, via School Committee policy.

CLA Report Response

Background

In early 2025, the Town of Brookline sought an external review[50] of the Public Schools of Brookline (PSB) financials. This review was prompted primarily due to a complaint made by the former Deputy Superintendent for Student Services, and subsequently extended to address the cost overruns in the FY25 PSB budget, and a projected deficit of over $8M in the PSB FY26 budget.

The initial proposed scope of the review was suggested by the School Committee but was expanded and refined via discussions with the Select Board and the Advisory Committee with the final agreement agreed to by the Town-School Partnership (see Appendix: Scope of work for review).

The final scope of the review was designed to address the following questions:

1. What are the reason(s) for PSB's FY2025 cost overruns and projected FY2026 deficit?
2. Are PSB's current or projected future deficits attributable in whole or in part to misfeasance, malfeasance, failure to follow established practices, or lack of appropriate controls?
3. What caused delays, interruptions, or non-payment of special education services in both FY2024 and FY2025?
4. What internal controls, processes, or procedures consistent with the best practices of Massachusetts public school systems could be established or modified to optimize or expedite PSB's fulfillment of its legal obligations under state and federal law related to students' rights?
5. How do PSB's financial or management practices compare to best practices for Massachusetts school districts? If PSB's practices depart from those best practices, what recommendations would you make to correct them?
6. Are there material expenditures that were inappropriately or inaccurately charged to a particular PSB office during FY2024 or FY2025 that should have been charged to a different office or department's budget? If so, were such charges the result of error,

[50] Most community members call the CLA work an 'audit'. We prefer the term review because while some of the work did have management audit-like inspections of processes and procedures, there were significant aspects of CLA's work that were qualitative (such as current and historic work environment) and likely would not be part of a pure 'audit'.

intention, or policies or procedures governing allocation of costs across PSB operational units?

7. What policies or procedures govern communication between the Office of Student Services ("OSS") and the Office of Administration & Finance ("OAF")? What additional policies or procedures, consistent with Massachusetts best practices, could be established to optimize communication between the two offices, and, by extension, OAF and any other PSB operational unit?

It should be noted that the budget-related questions were sufficiently serious that the primary objective was to start and finish a review in time for the Annual Town Meeting held in the Spring of 2025. This compressed timeframe meant that a broader review which was advocated for and considered, could not be accommodated.

The scope of the review included interviews with personnel, review of documents, accounts, and digital files or records. CliftonLarsonAllen (CLA) was hired to conduct the review, which took approximately eight weeks to complete in Spring 2025. The final report was delivered to the Town in May 2025 (see Appendix: CliftonLarsonAllen Final Report).

PSB School Committee Member and Finance Committee Chair Mariah Nobrega wrote a response to the CLA final report, highlighting concerns about the report and gaps in the work that CLA produced (see Appendix: Comments on Final Report from School Committee Member Mariah Nobrega).

Summary of CLA recommendations

CLA published the following recommendations (for the full report and summary of findings and recommendations see Appendix: CLA Report Summary Chart and Appendix: Cover Memo from Town Administrator Charles Carey for additional details). Though specific findings are not listed below, some can be inferred from the recommendations and all can be found in the documents referenced above.

1. The FY26 budget development process corrected several identified issues with the FY25 budget. However, neither the salary nor special education cost increases are sustainable in the short or long term without additional cuts or other funding being identified. Additional recommendations include:
    a. Joint Town/School 5-year revenue and expenditure projections, with long-term plans placed before the Select Board & School Committee for review & approval.
    b. Careful evaluation of special education settlements and contract costs going forward.

c. Additional formula validations or an integrated budget control module in the finance system.

2. Implement the following internal controls, processes, and procedures for PSB to be consistent with the best practices of Massachusetts public school systems:

    a. Contract with an outside vendor that provides Independent Educational Evaluations (IEEs) when a disagreement arises on the provision of special educational services.

    b. Continue implementation of strong internal controls on contracted services, make the consequences clear for failing to follow them, and enforce those consequences.

    c. Provide full transparency to the finance team and School Committee on the number and costs of out-of-district placements/settlements, while maintaining student confidentiality.

    d. Adopt and follow federal requirements and best practices when procuring special education services.

    e. Do not provide outside services until vendors are properly evaluated with Criminal Offender Record Information (CORI) checks and satisfy all other federal/internal requirements.

    f. Maintain and review a list of active special education service providers with completed CORIs and use those vendors wherever possible instead of hiring new ones.

    g. Review out-of-district placements yearly.

3. The student services and finance teams should work more closely together throughout the year, as it appears they are now, and start the process of identifying uses for recurring grant funding early.

4. Formal procurement processes should be put in place to ensure federally-funded services comply with the requirements of federal procurement law.

5. Conduct a comprehensive Human Resources assessment, covering culture, processes, policies, procedures, and HR systems to evaluate regulatory compliance and controls in place to mitigate inherent risks and improve operations. Typically, this would include a detailed narrative report with findings, recommendations, and a roadmap for remediation.

6. Ensure PSB follows clear policies, with consequences for failing to follow them, and active enforcement, including but not limited to policies for safeguarding confidential information.
7. Implement a "whistleblower hotline."

Action Taken and Recommendation

Since the CLA report was published in May of 2025, several actions have been taken. The first is that a memorandum of understanding was published and agreed upon in Fall of 2025 between the Town and Schools. This agreement, which will sunset on September 30, 2026, covered many of the recommendations made in the CLA report and are enumerated below (see Appendix: Town/School MOU 2025 for details) with updates on their progress.

Action	**Update as of February 2026**
PSB will continue to provide quarterly budget updates to Brookline School Committee in public session. The report will continue to account for actual revenue and expenditures against the budget for the general fund and special funds for the year to date. A copy of this report shall be sent to the Town Administrator and Schools Subcommittee of the Advisory Committee after the meeting.	On track – PSB shared its FY25Q4 and FY26Q1 report on November 13, 2025 and its FY26Q2 report on January 22, 2026. See Appendix: Quarterly Budget Updates.
The Town and PSB will review their five-year revenue and expenditure projections with the Town-School Partnership prior to the Superintendent and Town Administrator releasing their financial plans for the subsequent fiscal year.	Initial draft completed and presented in November 2025.
The Town and PSB will establish a working group to address business needs of the MUNIS enterprise-wide system including chart of accounts and reporting cleanup. The group will also address appropriate delegation of functions in the system. Once alignment on the chart of accounts is attained, the Town and PSB will review the viability of using the encumbrance feature in MUNIS universally and implement as appropriate.	This group has been established, but progress on this has been limited due to staffing capacity constraints.

PSB will continue to make certain to have written contracts for purchases and services over $10,000 and to bid all purchases and services over $100,000 in compliance with Mass. Gen Law Ch. 30B and Ch. 149. Further, PSB will continue to comply with the federal procurement requirements described in 2 CFR 200.318-326.	Ongoing. Procurement processes for purchases over $100,000 are also documented in the PSB Fiscal Policy in section D.9.3. PROCUREMENT REQUIREMENTS. See Appendix: Fiscal Policy.
PSB will continue to send at least one employee to MCPPO training and to require all employees who are authorized to make purchases to attend a Public Procurement training that will be offered by the Town.	This is expected to continue, but is not currently included in the current Fiscal Policy.
The School Committee will continue and complete its current review of PSB financial policies in the current fiscal year and publicly document any changes thereto as a result of that review by March 1, 2026.	The revised financial policies have been approved by the policy subcommittee and were presented to the full School Committee on Feb 26, 2026. They are tentatively slated for a vote on March 19, 2026. See Appendix: Fiscal Policy.
PSB will assess all central office functions as part of its preparation for the FY27 budget process.	Completed. PSB administration reviewed central office functions and has planned reorganizations within the Office of Administration and Finance, which will streamline finance, HR, and data reporting functions while reducing 1.0 FTE.
PSB will provide a Fall report about the Office of Student Services to the School Committee, which will include a	This report was presented on December 9, 2025. See

review of related expenses as well as an overview of relevant legal requirements and oversight.	Appendix: Student Services Slides.

In addition, the Massachusetts Department of Elementary and Secondary Education conducted a random audit of Brookline's usage of federal Individuals with Disabilities Education Act (IDEA) part B[51] grant funding in summer/fall 2025 and concluded that there "no areas of noncompliance" with regards to IDEA part B grant funds by the district in a letter dated October 8, 2025 (see Appendix: IDEA audit letter).

School Subcommittee Recommendation

Since a) the Town/School MOU did not cover all the recommendations included in the May 2025 CLA report, and b) the E&RSC School subcommittee does not have the expertise and capacity to independently verify the that these recommendations have been addressed, the School Subcommittee recommended that an independent, third party follow-up review be conducted to validate that the issues identified during the May 2025 CLA report are addressed and to increase Brookline voter confidence that that critical changes are being made by PSB administration. CLA was engaged on March 10, 2026 and they will complete their review by March 31, 2026. PSB administration published a response to the CLA report which they intend to share with CLA (see Appendix: PSB Response to CLA Report).

The School Subcommittee also recommended that the School Committee document training policies for employees who are authorized to make purchases on behalf of PSB in its Fiscal Policy before approving the policy (currently docketed for March 19th, 2026). The School Committee and PSB Administration agreed to this and is updating the Fiscal Policy.

In addition, the E&RSC Schools Subcommittee would suggest to the Select Board that:

1. The issues that were raised but not included due to the time limitations placed on the CLA review be evaluated by the TSP to determine whether they still merit review. If so, a timetable for conducting that work should be established by the Fall 26 Special Town Meeting.

[51] From congress.gov: IDEA consists of four parts. Part A contains general provisions, including the purposes of the act and definitions. Part B contains provisions relating to the education of school aged children (the grants-to-states program; Section 611) and the state grants program for preschool children with disabilities (Section 619). Part C authorizes state grants for programs serving infants and toddlers with disabilities. Part D contains the requirements for various national activities designed to improve the education of children with disabilities. (https://www.congress.gov/crs-product/R41833)

2. The Select Board and TSP should obtain, to their satisfaction, assurances that the steps outlined in the MOU continue as best practices and in the interests of transparency and to foster a closer formal working relationship that will transcend current staff.

3. The TSP should consider requesting budgetary authority from Town Meeting to undertake emergency reviews such as the CLA report in a timely manner.

Town/School Financial Model

Background

In 1994 Brookline (or the "Town") established the Town-School Partnership ("TSP")[52], creating a mechanism to allocate revenues and expenses in a consistent manner from year to year with the goal of eliminating contentious budget decisions being made on the floor of Town Meeting. The agreement between the Town and the Schools included definitions and specific guidelines and rules for how to treat 'shared services' in several other categories of expenses. The TSP agreement specifically states that the parties would need to modify formulas over time in response to unanticipated state mandates.

The TSP has withstood the test of time and remains a vital agreement respected by the Select Board, School Committee, Town and PSB administrations, Town Meeting and the Advisory Committee. The Town and the Schools each have demands that need to be met via the allocation of scarce resources and the formulas contained in the original agreement have been modified over the years. While the TSP has been incredibly effective in creating a formal system adhered to and respected by all parties, its very design makes it difficult to understand and to quickly adjust to changing conditions and needs. In the opinion of the Committee, a significant limitation of the current model is the opacity of how certain expenses are categorized and presented, making it difficult for all interested parties to fully comprehend the rationale behind certain allocations and operating practices.

The Committee recommends the Select Board appoint a study committee to more thoroughly research and justify refinements to the financial model embraced by the TSP.

How does the TSP Financial Model Work?

From its inception, the TSP revenue sharing model embraced a philosophy of defining 'shared non-departmental fixed costs'. Expenses falling under this definition are deducted from the Town's total revenue before any revenue is allocated to the Town or the Schools. Such expenses have been deemed 'above the line costs.' For FY27, those costs are projected to be:

Shared Non-Departmental Fixed Costs	**FY27**
Non-Departmental - General	$ 8,642,532
Non-Departmental - Debt Service	$ 49,425,313
Non-Departmental - Reserve Fund	$ 3,570,679

[52] . See Appendix: 1995 Town/School Split Memo for a copy of the original 1995 agreement

Non-Departmental - Special Appropriations	$ 21,671,104
Non-Departmental - Non-Appropriated	$ 10,792,034
Non-Departmental - Benefits	$100,352,572
Total	$194,454,233

In FY27, Brookline's total revenue (after deducting Enterprise revenue) is forecasted to be about $440 million, **so our shared non-departmental fixed costs take up approximately 44% of the Town's total revenue**. **Benefits alone comprise approximately 23% of total revenue.**

The remaining 'below the line' revenue (approximately $246 million in FY27) is what remains to be divided between the Town and the PSB. In FY27, that revenue, after some minor revenue adjustments and shared cost assessments[53], is being split 41.2% to the Town and 58.8% to the schools.

What are the challenges with the current approach?

The Committee believes there are three broad matters the TSP[54] should consider.

1. Lack of visibility into the full expense picture. Expenses that are 'above the line' are neither 'seen' by the public nor is their impact completely understood by many people. This is because what most people focus on is the money that is available to 'do something with'.
2. Ambiguity in collaboration between departments. Operating standards are not documented across departments, making expectations inconsistent and creating friction.
3. Redundancy. Several functions (or partial functions) are duplicated across the Town and Schools, including IT, HR, payroll, and legal services. This results in different standards (Microsoft vs. Google productivity products), different processes, and potentially an increase in costs. This makes collaboration across departments more challenging and costs taxpayers more money.

Based on a survey of comparable communities (see Appendix B: Municipal Efficiencies and Cost Drivers Survey), other municipalities allocate revenue in two ways:

[53] Revenue adjustments are $108,000 for Sanitation (to reimburse for expenses paid by the Town and $74,000 for parking fines while Shared Cost Assessments charged to PSB from the Town total $518.500 and include costs for Buildings, Information Technology, Munis, Payroll and General Insurance. These costs are carried within the Town budget and any growth in the school-related portion are charged to the Schools.

[54] Any changes to the formula would need to be approved by the TSP. The TSP has six voting members; two each from the Select Board, the School Committee and the Advisory Committee.

1. No standard revenue split for departments – Wellesley, Needham, Arlington, and Watertown set guidelines for budget growth rates/caps each year by department as part of their annual planning process and do not have a standard percentage revenue split that they apply.
2. Standard town/school split – Lexington and Brookline allocate costs to shared services, and then allocate the remaining revenue using an established percentage split. Lexington's split is currently 26/74 between town and schools.

These communities also fund certain expenditures as shared services but those categories vary. However, most communities fund healthcare/benefits, building maintenance, groundskeeping, sanitation, comptroller, and legal services as shared services. Some communities also treat IT, human resources, payroll, debt service, and special education reserves as shared services.

Recommendation

The E&RSC did not have sufficient time or staff support due to capacity limitations to thoroughly analyze the data and research alternative options in order to recommend a revised Town/School financial model. However, we do believe that more must be done to increase clarity and resolve areas of disconnect and friction. Therefore, we recommend that the Select Board establish a Financial Model Study Committee to more thoroughly research and justify refinements to the Town/School financial model. Based on the limited work done on this topic to date by the E&RSC and that data we have reviewed, we recommend that the Financial Model Study Committee should:

1. Validate the current model by evaluating an alternative. Retain the current Town/School split model for now, but study a model that sets a growth cap by department (or category such as special education) as part of the budgeting process to validate that Brookline would like to continue to use its current model (with possible refinements). The benefit of the growth target approach is that it establishes a way to account for certain costs that are increasing at a higher rate than our revenue growth, if needed.
2. Reassess which categories are 'above the line' and 'below the line'. In this assessment, consider moving certain expenditure categories 'below the line' in order to a) increase transparency for administrators and residents, b) ensure that each department is able to manage their core mandate as effectively as possible, c) give departments full visibility into their expenses, and d) create the right incentives for all departments. Any items moved above or below the line would move with their

corresponding revenue. Categories that should be evaluated for moving below the line could include healthcare, benefits, utilities, and general insurance.

3. Establish clear working relationships. Require that the TSP establish memoranda of understanding (MOUs) between Town departments and the Schools to document a) the Town's obligations to the Schools, and b) how assessments will be calculated and paid by the Schools for the service. Building maintenance may warrant additional constructs including occupancy and service agreements to operate effectively given the complexity of this particular function and its relationships with other departments (see Appendix C for more detail on building management considerations for the Financial Model Study Committee to evaluate). The departments that require MOUs include:
    a. Benefits Administration (HR)
    b. Building Maintenance, Upkeep, & Capital Projects (Buildings)
    c. Groundskeeping & Sanitation (DPW)
    d. Public Health (DPH)
    e. Public Safety (Police/Fire/EM)
    f. Recreational Space & Community Education (Recreation)
4. Departmental consolidation. Evaluate full consolidation of departments (with some exceptions where needed) to streamline processes and reduce costs. This would require MOUs be put in place to define obligations and assessments, and a timeline be established for phasing in these changes over time to minimize impact on Town/School operations. This approach should ensure that the Schools have the level of service they require before migrating a function fully to the Town or vice versa. Consolidation could include the following departments:
    a. Building Management and Custodial Services
    b. Human Resources
    c. Informational Technology
    d. Legal Services (except collective bargaining and special education)
    e. Comptroller (partially shared currently)
    f. Payroll (partially shared currently)
    g. Procurement (partially shared currently)

5. Special education reserve fund. Evaluate the utility of establishing a Special Education reserve fund to help manage the increasing and unpredictable costs of special education in the PSB budget.

High School Teacher Workload Summary by Comparable District

Mariah Nobrega, prepared for Brookline Expenditures and Revenues Committee's Schools Subcommittee, presented January 12, 2026, Updated February 1, 2026 with strikeout in paragraph 1 and footnote on page 1. Updated February 28, 2026 with additional info for Belmont, Newton and Natick.

Analysis background: Brookline High School has a "4+1" non-contractual[55] practice in which educators teach four subjects in their area of instruction, and are assigned a fifth academic duty, such as tutorial (executive functioning support for general education students), etc.

Analysis request: To understand whether this level of workload is common in other districts.

To answer this question, I first reached out to the Massachusetts Association of School Committees (MASC) to see if there was any existing research on this. MASC directed me to DESE, but I did not get a response. Next, I reviewed (with the assistance of an AI tool but I validated all information) the contracts of Brookline's "comparable districts" as determined by DESE.

Analysis summary: Of Brookline's comparable districts, all except for Watertown have a similar contractual cap of number of courses taught and/or number of students taught. There are some slight variations, e.g.:

- Acton-Boxborough, Milton and Wellesley have limits on the number of teaching periods per day rather than courses taught per semester or year, but are similarly set at 4 or 5 courses.
- Cambridge has set hours teaching per day rather than courses taught, but is 75% of the day, which is similar to Brookline.

Watertown's contract, which specifies teaching 6 of 7 periods per day, is less aligned with the other districts. Links to contracts, and snippets of the most relevant language are below.

Acton-Boxborough 2023-2026 (link)

- "Academic subject area junior and senior high school teachers will not be assigned to more than five (5) single teaching periods per day unless agreed upon with the

[55] Revision 2/1/26: There are some aspects in the contract. 1: "It is the goal of the BSC that no full-time high school teachers in Social Studies, Math or Foreign Language shall have an aggregate student load of more than 115 students. If on November 1, such a teacher has a student load in excess of 115, the Head of School shall make efforts to reduce such load to 115." 2: "Grades 9-12 teachers shall have a maximum of twenty (20) assigned instructional periods and four (4) periods of other assigned duties (one of which may be a homeroom), except as the BSC has previously voted otherwise."

teacher. Senior high school English teachers will not be assigned to more than four (4) single teaching periods plus one (1) duty per day unless agreed upon with the teacher." p19-20

- [Class size:] The desirable maximum number of students per teacher is as follows…Junior and Senior High Schools…Academic Subjects 25" p22

Arlington 2024-2027 (link)

- "Combined totals in educator's regular classes in secondary schools (based on a five-day week): Classes in other than English - 125, English classes – 100" p19
- "The teaching loads at the middle and high school will be as follows: a. English teachers: four periods per day (20 per week) Subjects other than English: five periods per day (25 per week)" "Effective August 31, 2006 English teachers may be assigned five periods per day." p20

Belmont 2022-2025 (link)

- "Whenever it is administratively possible and economically feasible…The maximum pupil load for High School teachers in the major academic areas (i.e., English, World Languages, Mathematics, Science, and Social Studies) shall be 125 students per teacher" p17
- "On the basis of a seven-period day, High School teachers working in the major academic areas will be assigned no more than thirty (30) periods per week, of which not more than twenty-five (25) shall be teaching periods." p18

Cambridge 2023-2026 (link)

- "High school teachers shall teach 75% of the instructional day for students." p16
- "[Class size]: It is agreed that as soon as practical, considering availability of qualified personnel and suitable classroom space, the maximum number of pupils per teacher will be as follows…Senior High School…Academic subjects 28" p20

Lexington 2023-2026 (link)

- "The teaching load for the length of this contract will not exceed 125 students/1 teacher. English is an exception with its cap held to the nationally recommended maximum ratio of 100 students/1 teacher. By September 1, 2027, all teachers who work in grades 6-12 will have a caseload of up to 100-105" p15

Milton 2022-2025 (link)

- "Wherever possible, high school teachers will not be required to teach more than an average of five (5) classes per day" p10
- "Wherever possible, high school teachers will not be assigned more than four (4) teaching periods per day or three (3) teaching periods and one (1) administrative duty period per day per schedule cycle" p10
- "Wherever possible, no academic class will exceed twenty-five (25) students" p10
- "Whenever the total number of students assigned to a teacher exceeds one hundred-thirty (130), the teacher will be granted relief from their duty" p10

Newton 2024-2027 (link)

- “It is understood and agreed that the decision with respect to class size and pupil staff ratio is within the exclusive judgment and discretion of the Committee.” p29
- "Teachers of English, English Language Learners, History and Social Science, Mathematics, Science, Engineering, and World Language shall be required to teach four (4) year-long classes or the equivalent. Special education teachers teaching a full load of courses or supporting students in the above subject areas will also teach four (4) classes or the equivalent. All other teachers shall teach five (5) classes or the equivalent" p97
- "Beginning with the 2023-2024 school year, the parties agree that all full-time high school English teachers will be capped at 264 students (22 students average class size) over a three(3)-year period" p99

Natick 2025-2028 (link)

- "[T]he parties accept the following class maxima: ...Senior High Schools 25 Students per educator ... High School Caseload 125 Students.” p17-18
- “However, failure to reach these class sizes shall not be subject to the grievance and arbitration provisions of this Agreement." p17-18

Watertown 2023-2025 (link)

- “All Middle School and Senior High School teachers will not be assigned more than seven (7) periods per day, consisting of at least one (1) full and uninterrupted preparation period and not more than six (6) student supervision periods...Academic subject area Middle and Senior High School teachers will not be required to teach more than two (2) subjects, nor prepare for more than three (3) specific course designations per day.” p18

Wellesley 2023-2026 (link)

- “High School teachers will not be assigned more than four (4) classes per day” p9
- "No teacher shall, at any given time, be assigned the class responsibility, regardless of the size of their classes, for more than one hundred twenty-five (125) pupils" p13

More information on Brookline High School Teacher Workload

Mariah Nobrega, prepared for Brookline Expenditures and Revenues Committee’s Schools Subcommittee, presented February 2, 2026.

Following the earlier discussion on workload comparisons by district and the contractual language of 115 in the Unit A contract, I requested information from BHS leadership on workload: (1) what the +1 component consists of and (2) how workload compares to the 115 students in the contract. (“It is the goal of the BSC that no full-time high school teachers in Social Studies, Math or Foreign Language shall have an aggregate student load of more than 115 students. If on November 1, such a teacher has a student load in excess of 115, the Head of School shall make efforts to reduce such load to 115.”)

1. Plus One Assignments

The +1 assignments of full time staff in MA, SC, SO and WL are:

49	Tutorial
9	Second teacher in WL classes
9	Extra lab periods for AP Science
4	Math Center
5	Calculus Support
1	Queer Student Program
2	Teacher Mentors
2	Language Center/Support

Advisory is not a plus one assignment-- advisory is a community duty and not part of the teaching load.

2. Average of student load

Data is shown on the next page for the full-time teaching staff in the five core academic subjects (not just the 3 – Social Studies, Math, World Language – in the contract.) A few notes:

- These totals do not include their +1 assignment. The numbers in Tutorial would add between 5 and 10 students per teacher.
- If PSB ended +1 then there would be many teachers over the 115 as we compose classes now.
- The language in the contract on Student Load apparently predates the late 90s/early 00s, when the staffing model was changed.

2025-26 Brookline HS Teaching Loads for Full-Time Staff by Academic Subject

Position	Load	Position	Load	Position	Load	Position	Load	Position	Load
English 1	91	Math 1	89	Science 1	95	Social Studies 1	96	WL 1	94
English 2	94	Math 2	90	Science 2	87	Social Studies 2	91	WL 2	79
English 3	78	Math 3	103	Science 3	94	Social Studies 3	90	WL 3	79
English 4	93	Math 4	95	Science 4	94	Social Studies 4	79	WL 4	69
English 5	78	Math 5	92	Science 6	86	Social Studies 5	95	WL 5	77
English 6	104	Math 6	89	Science 7	82	Social Studies 6	101	WL 6	79
English 7	76	Math 7	80	Science 8	96	Social Studies 7	93	WL 7	87
English 8	73	Math 8	105	Science 9	92	Social Studies 8	101	WL 8	78
English 9	98	Math 9	110	Science 10	88	Social Studies 9	90	WL 9	79
English 10	68	Math 10	86	Science 11	71	Social Studies 10	95	WL 10	92
English 11	94	Math 11	106	Science 12	81	Social Studies 11	90	WL 11	96
English 12	95	Math 12	102	Science 13	84	Social Studies 12	101	WL 12	80
English 13	102	Math 13	90	Science 14	88	Social Studies 13	85	WL 13	83
English 14	87	Math 14	94	Science 15	92	Social Studies 14	86	WL 14	69
English 15	90	Math 15	75	Science 16	90	Social Studies 15	91	WL 15	87
English 16	99	Math 16	110	Science 17	93	Social Studies 16	98	WL 16	89
		Math 17	90	Science 18	76	Social Studies 17	91	WL 17	75
		Math 18	92	Science 19	91			WL 18	80
		Math 19	63	Science 20	88			WL 19	94
				Science 21	87				
				Science 22	87				
				Science 23	97				
Average EN	**88.8**	**MA**	**92.7**	**SC**	**88.1**	**SO**	**92.5**	**WL**	**82.4**

IV. Town Subcommittee Report

Budget and Real Estate Tax Pressures

The main drivers of town budget and real estate tax increases are Salaries and Overtime, Debt Service, Healthcare Benefits (GIC), and Pension funding, as shown in the chart below.

Budget Increase Drivers				
	FY19	FY26	% Increase p.a.	% FY26 Budget
Salaries+Overtime	$ 53.2	$ 66.9	3.2%	16.4%
Debt Service	$ 16.9	$ 44.1	20.1%	10.8%
GIC	$ 30.0	$ 42.3	5.1%	10.4%
Pensions	$ 23.1	$ 38.1	8.1%	9.3%

Staff Salaries

The growth in staff salaries charged to the operating budget since 2019 is largely the result of contractual increases negotiated with the Town's unions and adjustments to middle management pay scales approved in the 2024 Override. Salary scales for most Town positions are in the mid-range of comparable communities.

The total number of Town full-time equivalent (FTE) positions in the operating budget has not changed despite new initiatives mandated by resolutions of Town Meeting. Some positions have been moved to soft-money sources (grants, capital projects, or revolving funds), and efficiencies have been achieved through reorganizing departmental workflows. Long-standing vacancies in DPW led to the elimination of nine (9) FTEs in the Highway and Sanitation Divisions and the transfer of services to an outside contractor. The staff decrease was offset by transfer of the Director of Sustainability to DPW from the Planning Department and the addition of positions in Parks & Open Space for Urban Forestry Management funded in the 2024 override.

Town Personnel Budgets and Full-Time Equivalents from FY2019 to FY2026

	Salary Budget			General Fund Budget FTEs			Soft Money FTEs			Total FTEs		
Town Department	*FY2019*	*FY2026*	*+/-*	*FY2019*	*FY2026*	*+/-*	*FY2019*	*FY2026*	*+/-*	*FY2019*	*FY2026*	*+/-*
Select Board[1]	$ 687,929	$ 966,951	*$ 279,022*	6.48	7.50	*1.02*	0.00	2.50	*2.50*	6.48	**10.00**	*3.52*
Human Resources[2]	$ 309,024	$ 463,096	*$ 154,072*	3.53	4.48	*0.95*	2.25	3.30	*1.05*	5.78	**7.78**	*2.00*
Information Technology	$ 1,156,208	$ 1,530,186	*$ 373,978*	12.40	13.00	*0.60*	0.00	0.00	*0.00*	12.40	**13.00**	*0.60*
DEICR[3]	$ 218,753	$ 352,466	*$ 133,713*	2.72	3.72	*1.00*	0.00	0.00	*0.00*	2.72	**3.72**	*1.00*
Finance Department[4]	$ 2,318,263	$ 2,610,351	*$ 292,088*	31.22	29.42	*-1.80*	0.00	0.00	*0.00*	31.22	**29.42**	*-1.80*
Legal Services[5]	$ 694,633	$ 909,253	*$ 214,620*	7.03	8.21	*1.18*	0.00	0.00	*0.00*	7.03	**8.21**	*1.18*
Advisory Committee	$ 23,201	$ 27,312	*$ 4,111*	0.40	0.40	*0.00*	0.00	0.00	*0.00*	0.40	**0.40**	*0.00*
Town Clerk	$ 651,815	$ 568,372	*$ (83,443)*	5.50	5.50	*0.00*	0.00	0.00	*0.00*	5.50	**5.50**	*0.00*
Planning	$ 1,078,652	$ 1,351,660	*$ 273,008*	13.39	13.56	*0.17*	5.10	5.44	*0.34*	18.49	**19.00**	*0.51*
Police[6]	$ 15,078,231	$ 19,502,670	*$ 4,424,439*	179.80	171.30	*-8.50*	1.00	2.00	*1.00*	180.80	**173.30**	*-7.50*
Fire	$ 14,504,987	$ 18,414,756	*$ 3,909,769*	160.00	161.00	*1.00*	0.00	0.00	*0.00*	160.00	**161.00**	*1.00*
Building[7]	$ 2,550,206	$ 3,159,486	*$ 609,280*	34.61	35.76	*1.15*	2.00	2.85	*0.85*	36.61	**38.61**	*2.00*
Public Works[8]	$ 8,152,083	$ 9,505,745	*$ 1,353,662*	126.72	125.16	*-1.56*	3.66	8.75	*5.09*	130.38	**133.91**	*3.53*
Library	$ 3,056,639	$ 3,510,670	*$ 454,031*	52.84	56.22	*3.38*	0.00	0.00	*0.00*	52.84	**56.22**	*3.38*
Health	$ 941,807	$ 1,197,408	*$ 255,601*	12.26	13.01	*0.75*	5.78	13.27	*7.49*	18.04	**26.28**	*8.24*
Veterans' Services	$ 171,571	$ 168,201	*$ (3,370)*	2.00	2.00	*0.00*	0.00	0.00	*0.00*	2.00	**2.00**	*0.00*
Council on Aging[9]	$ 822,520	$ 1,134,534	*$ 312,014*	13.74	15.39	*1.65*	3.17	3.70	*0.53*	16.91	**19.09**	*2.18*
Recreation	$ 801,595	$ 944,109	*$ 142,514*	12.00	11.00	*-1.00*	0.00	0.00	*0.00*	12.00	**11.00**	*-1.00*
TOTAL	**$ 53,218,117**	**$ 66,317,226**	***$ 13,099,109***	**676.64**	**676.63**	***-0.01***	**22.96**	**41.81**	***18.85***	**699.60**	**718.44**	***18.84***

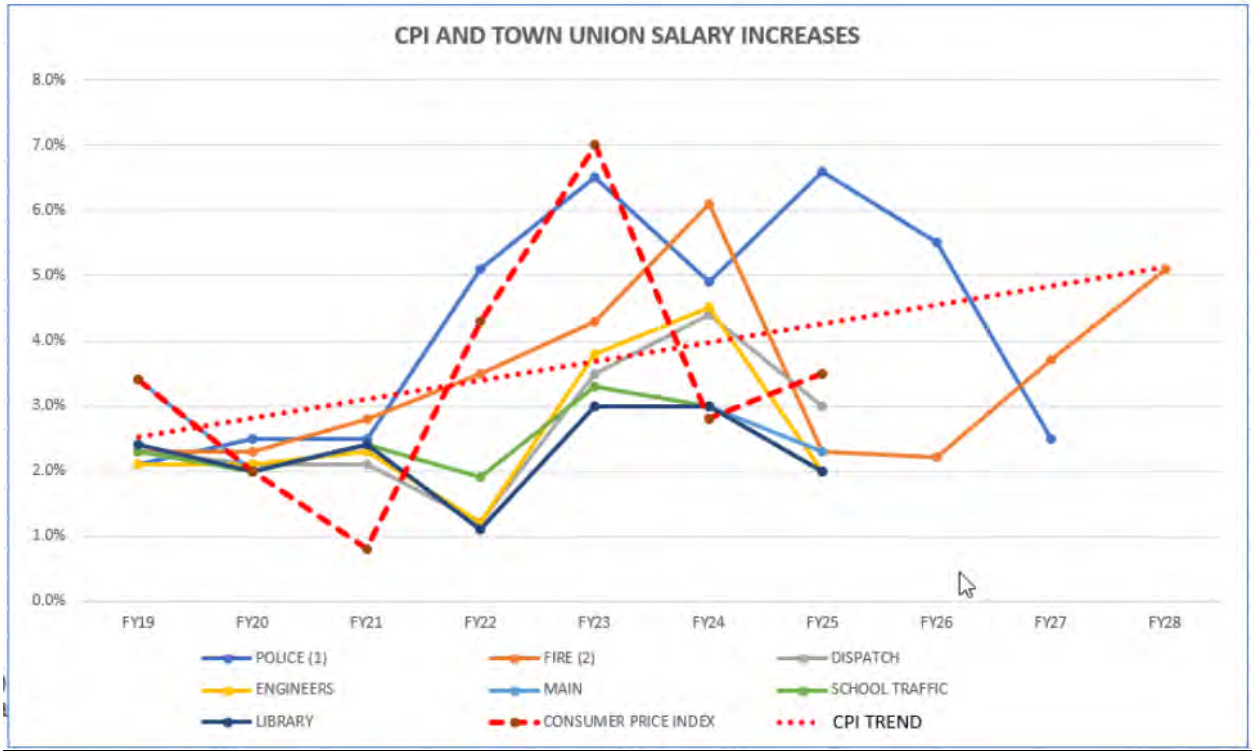
(1) Added communications officer (moved from DEICR); one of grant-funded positions eliminated in FY26 so actual total is 9 FTEs
(2) Generalist/investigator positionFY24 override
(3) Language access coordinator FY24 override
(4) Assessing reorg to meet budget deficit in FY25
(5) Labor counsel added FY20
(6) Held open 6 officers and eliminated park security officers; budget book incorrectly displays reduction of one FTE in FY2026 (corrected here)
(7) Building inspector short term rentals added FY20
(8) Sanitation reduction, added and moved FTEs to soft funds
(9) Social worker and transportation coordinator FY24 override

Annual salary increases for staff are governed by contracts negotiated with seven employee unions, five of which expired in 2025. The Town has sought to keep wage adjustments within 3% per year and has largely succeeded, despite significant increases in the consumer price index in 2022 and 2023. The police and fire unions can seek mandatory arbitration through the Joint Labor Management Commission (JLMC) and have used the process to secure wage gains beyond cost-of-living adjustments (COLA).

In 2023, the JLMC awarded the police union a retroactive settlement that included COLAs of 2.5% to 3% per year, plus a 4% “Certification Differential” (stipend) added to base pay. The stipend was in response to obligations imposed on police officers by State law under the Police Reform Act of 2020. Renewal of the contract through 2027 maintained the COLAs at 1.5% to 3% but increased the stipend to 7.5% by 2027. Steps of 3% and 3.5%were added after 6 and 8 years, respectively, to incentivize retention. The Town has funded these increases by keeping 6 positions in the department unfilled, resulting in savings of $600,000 to balance the 2026 budget. Restoration of these funds is part of the Town Administrator’s override request.

The Town and the Brookline Firefighters Union entered a JLMC process in early 2025 but reached an agreement on a new contract before that process ended. The Town believes this was a more favorable result than an ultimate decision by the JLMC would have been. Annual COLAs over the course of the contract are 1.5% to 2%. However, on June 30, 2027,

new step increases of 3% each will be added after five and ten years of service to incentivize retention. The cost of this provision is estimated at $909,471 and would not impact the budget until 2028. A reduction in service, through the temporary or permanent closing of a company, may be required to fund this portion of the contract unless an override is approved.



(1) In 2023, police were awarded a stipend equal to 4% of base pay plus the addition of a 10-year step under arbitration through the Joint Labor Management Commission. The stipend was increased, and two additional steps were added when the contract was renegotiated in 2025.

(2) Firefighters negotiated two additional step increases to incentivize retention, which will take effect in 2027.

Fire Department Overtime

Overtime costs in the Fire Department have increased since 2023, requiring Reserve Fund transfers exceeding $800,000 per year to balance the budget at year's end. Town residents have not been receptive to lowering the department's minimum staffing requirements to match those of similar surrounding communities, which would substantially reduce overtime costs. However, these communities still allocate a much higher percentage of their personnel budgets to overtime, averaging 14.8% versus Brookline's 5.9%. In-depth analysis by Town staff has shown that adding positions provides no demonstrable cost-

benefit because of increases to contractual leave negotiated in the 2013 agreement (See Charlie Young memos re: Fire Department Overtime and Leave in Appendix).

Not all overtime can be controlled, with the primary drivers being staff vacancies, injuries on duty, and long-term illnesses due to cancer. Regulatory changes have increased the types of conditions that can be considered injured on duty resulting in an increase of absences in this category. The Fire Chief has coordinated with Human Resources to implement modified duty and increase oversight for injured-on-duty cases.

Detailed analysis of overtime usage shows a pattern of increased sick time call-ins, particularly for weekend shifts. To reduce potential abuse of sick leave policies, the current contract includes a differential to encourage weekend shifts and increases the number of hours that can be bought back at the end of employment. These strategies are unlikely to resolve the issue in the short term, leaving a $800,000 budget gap which could be covered if an override is approved.

Town Meeting Initiatives

As the community's needs have grown, Town Meeting has passed resolutions requesting additional services, which have been funded through overrides or soft money (grants/gifts). These include:

- Approximately $45,000 per year for the town-wide cross-departmental cost of purchasing renewable energy credits to offset fossil fuel energy use, added in 2019; the cost increases as the percentage of energy being offset by RECs increases
- 2 FTEs for short-term rental inspections added in 2020; fees have not covered the full $183,000 cost
- $250,000 for 2.48 FTE Sustainability positions currently on soft money that would have to be absorbed by the operating budget or eliminated when funding runs out in 2028
- $226,000 for 2 FTE plus contractual costs for rodent control added via the 2024 override
- $100,000 for 1 FTE Language Access position and contractual services funded through the 2024 override

Other initiatives may add only incrementally to costs but increase the administrative burden on existing staff. These include the amendment to the tree canopy by-law, which has not generated sufficient fee revenue to cover the costs of new hires and the enforcement of the fossil-free building code, tobacco restrictions, plastic ban by-laws, leaf

blower restrictions, and sidewalk snow removal. The additional cost of the 2018 requirement to purchase only fossil-free vehicles has led to fewer police cruisers being purchased.

Inflation

Inflationary pressures have impacted several budget areas in addition to health insurance. Despite an injection of funds in the 2024 override, road and sidewalk maintenance have not kept up with rising construction costs, and the problem worsens as repairs are delayed. The cost of IT license renewals grows by an average of 12% per year and is exacerbated by the loss of federal grants to offset these purchases.

Electrification generates higher electric costs and lowers oil and gas bills. Generally, electrification is a net savings due to higher COP of heat pumps. But costs are rising for two separate reasons: 1) cost per kWh is increasing, and 2) the new PSB buildings (FFR, Driscoll, High School and Pierce when it comes on line) consume more electricity than the buildings they replaced. This is because: a) they are significantly bigger and b) they use more energy per square foot as they are air conditioned and also used for longer operating hours daily (due to an increase in pre and after-school activities).

Other Revenue Sources

Local Receipts

Local receipts comprise the second largest source of revenue in the Operating Budget and include: local option taxes on meals, hotels, and recreational marijuana; interest income; parking fines; and permitting fees. Interest income, a major sources of past growth, is declining as ARPA funds are spent. Permitting fees are also decreasing with major projects like Waldo-Durgin on hold in the current economy.

After recreational marijuana was legalized, cannabis sales sparked an increase in local option taxes because Brookline had the only dispensary in the area. As dispensaries opened in other communities these sales have declined and are expected to generate only $250,000 in 2027. Attempting to increase revenue by licensing hookah lounges as Boston has done would be a lengthy process requiring the establishment of a complex regulatory regime. Given the pushback from the community on dispensaries, it isn't clear whether Brookline would choose to do so.

The Town has reviewed various permitting and usage fees many of which have not been updated in over ten years and no longer cover the actual cost of enforcing the underlying laws. The largest share would come from increasing motor vehicle fines to $40 for all violations. This is expected to gross $1.2 million and encourage better compliance, netting

to just over $1 million in new revenue. Parking meter modernization costing $125,000 would further reduce revenues, leaving a net of approximately $895,000 to be shared with the Schools under the Town/School Partnership formula. All figures in the table below reflect the Town share of new revenues.

Dept	Item	Amount	Description
POLICE	Motor Vehicle Violation fee increases	$366,000.00	$1.2M * .85 (increased compliance) - $125k (modernization) * .41 (split)
BUILDING	Building Permit fee increase	$70,000.00	Assumes 1% increase
FINANCE	Tax Demand fee increase	$14,000.00	
PLANNING	ZBA/Preservation fee increases	$5,000.00	Assumes 10% increase
BUILDING	Short-Term Rental License fee increase	$5,000.00	
TOTAL		$460,000.00	

Soft Money

The Town relies on grants to pilot new initiatives and reduce the burden on property taxes. Despite a policy of using these funds for one-time purposes, there is pressure to continue successful pilots after the grants expire. Some soft money sources (near term expiration dates shown in parentheses) are:

- ARPA Funding (2026):
    - Between April 2022 and December 2026, a total of $619,824 in ARPA funding was awarded to the Council on Aging to support its transportation programs. This included a pilot program for $360,000 to provide medical transportation for seniors. It was the only program exclusively funded under ARPA as a way to kick-start a much-needed service and provide time to find alternative revenue sources. As initially implemented, the program was available on an unlimited basis to all Brookline seniors aged 60+.
    - Critical software licenses, including Zoom video meeting software and DocuSign secure contract software were funded under the program,
- Anonymous Donation (2027):

This $1m dollar donation funded a pilot to create and operate of a Sustainability Division within DPW over three years. The Division has brought in nearly $3 million in grant funding and rebates to date and recently completed a state certification process unlocking up to $1.15 million more.

- Homeland Security Funds (2027):

Potential loss of public safety licenses in communities that refuse to assist in immigration enforcement

- Community Development Block Grant (CDBG):

A reliable source of local funding for decades, Community Development Block Grants are in jeopardy under the Current Administration. Town funding from this grant includes $45,000 in TRIPPS funding for the Council on Aging and four (4) full time positions in the Planning Department.

Override request

The Town Administrator has proposed the following Override items and amounts for the departments listed:

	Proposed Municipal Departments Override - Not Final	
Dept	Item	Recommendation
(multiple)	Continuity of Service	$1,245,000
FIRE	New Contract	$910,000
FIRE	Overtime Deficit	$800,000
DPW	Sustainability, Tree Protection, Unfunded Programs	$625,000
POLICE	Restoring 6 Officer Positions (ending hiring freeze)	$600,000
(multiple)	Collective Bargaining Reserve	$350,000
POLICE	Case Management Software, Command Staff Salary	$300,000
COA	Senior Center Transportation & Admin Support	$175,000
BUILDING	Building Maintenance/Tradesperson Staffing	$150,000
IT	Federally Funded Licenses Continuation	$125,000
CLERK	Senior Clerk-Typist - to Full-Time	$30,000
	NOT FINAL - SUBJECT TO REVIEW & APPROVAL	**$5,310,000.00**

Recommendation: The Subcommittee recommends an override of **$5.31 million** to support Town services. As summarized in the table below, the Subcommittee considered each element of the override request.

Dept.	Line Item	Comment
Multiple	Continuity of service	Covers positions over and above proposed cuts that would be eliminated without an override
Fire	New contract	Contractual obligation
Fire	Overtime Deficit	Without a flexible staffing model, overtime costs will continue at their current rate and need to be acknowledged within the budget
DPW	Tree protection & horticulture	Necessary to enforce Tree Canopy bylaw; restore Horticulturist to reduce contracted services
DPW	Sustainability	Positions generate grant revenue and facilitate installation of rooftop solar to reduce electricity costs

Police	Unfreeze 6 positions	Avoids increased overtime to cover shifts
Multiple	Collective Bargaining Reserve	Town is currently in negotiations with AFSCME unions; Police and fire agreements end in 2027
Police	Dispatch software and Command Staff salaries	Software is outdated and may soon lose vendor support; salary adjustment to incentivize senior union staff to seek promotion to senior management
COA	Medical transportation and staff support	Brings transportation, the highest priority for seniors, into the operating budget facilitating ability to get multi-year grant programming
Building	Maintenance capacity	Brings contracted services in-house
IT	Licenses	Replaces federal funding
Clerk	Increases clerk-typist to full time	Replaces contracted services

Roadway Maintenance

The Subcommittee considered whether or not to include additional funding for road maintenance in the override request. Road maintenance remains a high priority for Town residents, but the overall pavement condition (PCI) continues to decline and the backlog of roads and sidewalks needing repair continues to grow.

The Department of Public Works (DPW) acknowledges that the conditions of roads and sidewalks remains of paramount importance to the community. After the 2023 override, $2.1 million was phased into the roadways capital budget to ensure the baseline level of investment in repair and maintenance met the target for maintaining roads in their present condition (then roughly $5 million/year).

In late 2024 and early 2025, DPW developed a new suite of policies, including an updated Complete Streets policy and Roadway Asset Management, Maintenance, and Preservation Policy. These policies had the practical impact of reducing the number of steps necessary for DPW to undertake basic repairs of roads in need of them. The Select Board voted to adopt these policies in March 2025 and were not in place when the FY26 budget was being developed. FY27 will be the first year that DPW has the full benefit of these policies in place.

Recommendation: The Subcommittee recommends, given that there have been significant improvements made to increase the rate of road and sidewalk repair and repave this year, and that the DPW will be establishing annual performance metrics around amount of roadway paved and sidewalks reconditioned, that Override priority be given to Sustainability and Tree protection.

In addition, the Town and the Advisory Committee should review the CIP to prioritize maintenance including road repairs over requests for adding and/or expanding existing

services and facilities.

Details of the Request

- $1.245 million to close the gap between the projected $2.9 million deficit for 2027 not covered by the cuts and new-fee revenue discussed above, leaving $325,00 to be used for a stabilization fund in 2028, decreasing to $200,000 in 2029.
- $910,000 to fund the new longevity steps in the fire Department contract which will take effect in 2028. This amount will remain in the stabilization fund in year one.
- $800,000 to bring the budget for Fire Department overtime in line with recent experience as explained in the Budget Pressures section of this report
- $625,000 for DPW
    - $375,000 to add two (2) FTE's to enforce the Tree Preservation Bylaw approved by Town Meeting in 2024 and restore one (1) Horticultural Specialist position cut during COVID. As explained in the Budget Pressures section, the Tree Preservation Bylaw has not generated sufficient fees to cover its costs, straining department operations and limiting its effectiveness. Restoring the horticulturist provides in-house expertise to protect the Town's investment in outdoor space instead of relying on more expensive consultant services.
    - $250,000 bring two (2) grant funded Sustainability positions into the budget. As explained in the Soft Money section, these positions have paid for themselves in the grants they have already obtained for the Town and are key to implementing the town solar initiative detailed in the Future Section of this report. These funds would remain in the Override Stabilization Fund until 2028 when current grant funding expires.
- $350,000 for the Collective Bargaining Reserve to cover costs incurred over and above the standard cost-of-living adjustment ("COLA") such as one-time back pay, and new or changed shift differentials.
- $300,000 for upgrading the Police Department's dispatch and record management software, and phasing in pay adjustments for non-union command staff given the increased salary levels of supporting union staff
- $175,000 for the Council on Aging
    - $100,000 to bring at least some of this critical program for vulnerable seniors into the operating budget. Funded under ARPA, the pilot program has been extremely popular but has been available without limitation to all Brookline residents aged 60+. The COA has implemented income eligibility requirements and placed limits on the number of rides per individual per

month similar to its other transportation programs to increase sustainability of the service.
    - $75,000 to increase the Transportation Coordinator's position to full-time and move the grant-funded Administrative Assistant into the operating budget to better support programming for a total of 1.3 FTE's.
- $150,000 to provide for additional capacity in the Repair & Maintenance budget and add one (1) FTE plumber reducing the need for contracted services.
- $125,000 for IT software licenses to replace ARPA funding in 2027, and $80,000 in the Override Stabilization Fund to replace the expected loss of Homeland Security funding for public safety licenses.
- $30,000 for the Town Clerk's Office to increase the Clerk-Typist position to full-time. The work backlog in the Clerk's office results in paying hourly workers at a higher cost than having one full-time position. This will free budget capacity in the Clerk's Office for additional activities, including but not limited to records digitization

The override proposal combined with efficiencies proposed with or without an override would increase Town staff by 2.8 FTE's, offset by savings in contracted services currently covering the workload.

Stabilization Fund and Lump-Sum Override

The Town Administrator has requested that an Override Stabilization fund be established so that the full $5.31 million be funded in year one (although only $3.75 million would be used in FY 2027), to allow flexibility to adapt to unforeseen deployments in years two and three.

Funding the full amount in year one adds approximately 1.6% to the tax levy in 2027. Spreading it across three years results in levy increases of 1. 3%, .41% and .06% in 2027, 2028, and 2029 respectively.

Town Budget Cuts Without an Override

In a failed override scenario, cuts to Town services in 2027 would result in significantly more staff layoffs and a concurrent reduction in service levels or the inability to enforce certain matters Town Meeting has deemed important:

Public Safety: Six police positions currently vacant would be permanently eliminated. Upgrades to the Police dispatch system would be postponed, along with the ability to re-establish pay equity for command staff. The Fire Department would temporarily close a company if overtime costs are not curtailed.
Finance and Administration: Staff reductions will reduce customer service capacity to handle public inquiries.

Planning Department: Cutting an additional 2 FTE's in the Planning Department would result in a loss of capacity to foster commercial development.
Public Works: There would be no added capacity to enforce the Tree Canopy bylaw or bring horticultural services in-house.
Senior Services: The Council on Aging would lose administrative capacity and the ability to provide much needed medical transportation
Building Department: Additional repair and maintenance capacity would not be funded resulting in continued reliance on expensive contracted services to meet maintenance needs.

Department	Item	FY27	FTE
COA	Part-time personnel	10,000	
DPW	Personnel	127,000	2.00
DPW	Services	11,000	
DPW	Supplies	20,000	
DPW	Professional-Technical	10,000	
Finance	Personnel	122,000	2.40
Finance	Collective Bargaining	74,000	
Fire	Personnel	111,000	1.00
Health	Personnel	91,000	1.00
Health	Farmers Market Coupon Program	50,000	
HR	Legal Services	50,000	
Legal	Legal Services	30,000	
Library	Part-time personnel	30,000	
ODEICR	Services	28,000	
Planning	Personnel	222,000	3.00
Planning	Supplies/Services	12,000	
Police	Personnel	59,000	7.00
Police	Leave Contingency	100,000	
Recreation	Personnel	73,500	1.00
Select Board	Services	10,000	
Select Board	Professional-Technical	18,000	
Town Clerk	Elections	200,000	
OPEBs	Level Funding	100,000	
CIP	6% instead of 6.6%	876,000	
	Benefits	120,000	
	Total no override actual reductions	**2,554,500**	**17.40**

In 2028, it may be necessary to cut 20 firefighter positions and take a fire engine offline in order to fund the remainder of the collective bargaining agreement signed in 2025. The 2 grant funded sustainability positions will be lost. To balance the 2029 budget, 5 additional positions yet to be identified will be eliminated.

Recommendation: The Subcommittee recommends an override of $5.31million to support Town services as listed and that a Stabilization fund be established to receive the fully funded Override in year 1.

V. Future Subcommittee Report

The materials in this Report are organized into these two categories, with Expenditure Reduction recommendations being:

- Solar Initiative, which reduces operating budget electrical costs
- Electrical Demand Load Management
- School Model Analysis

Revenue Enhancement recommendations being:

- Economic Development for net new growth in the Tax Levy

Other Recommendations:

- OPEB Funding Policy review

Cost Avoidance/Expenditure Reduction Opportunities

Solar Initiative

Executive Summary

The Sustainability Division's planned $3.2M Solar Initiative, funded from the CIP, re-starts the Town's investment in municipally owned solar arrays and most if not all sites are expected to qualify for the 30%-40% federal Investment Tax Credit (ITC) rebate program, potentially reducing the net costs to $1.8M-$2.1. The program offers an excellent way to gain some control over the ever-increasing growth in the amount of electricity consumed and the cost per kWh (see Appendix A: Electric rate escalation graph). It promises to supply an additional 13% of the current usage and so an annual cost avoidance of approximately $390,000. It also represents a very significant contributor to the Town's net-zero carbon footprint goals. This Initiative is viewed as the first step of a continuing solar investment program for the Town. **The Solar Initiative investment therefore serves to both help control this segment of the Budget and as an important contribution to the Town's carbon net-zero goals.**

A. Background

Perhaps inspired by the leadership of its former Public Health Director, Dr. Alan Balsam, and his pioneering of the first solar installation on a Town Building (Denny Building, 2006, 25kW) through a private grant, Brookline began examining other Town-owned sites (2010, 2015, 2018, see Appendix) and evaluating their capacity for solar array installations. The second Town-owned initiative was the Putterham Library in 2011, an 8kW installation producing about 7900 kWh a year. There ensued a ten year period without new installations, and when re-started, the Town chose to enter into third-party arrangements

known as Power Purchase Agreements (PPA's), in which the Town rented our roofs to these entities in return for their financing, maintaining and removing the arrays at the end of their useful life, while providing a portion of the electricity generated to the Town in return at a reduced and unchanging cost.

There are 5 PPA's in place currently:

Location	Size	Year
Ridley	250 kW	2022
Brookline High School	150 kW	2022
Runkle School	173 kW	2022
Kirrane Aquatic Center	257 kW	2023
Municipal Service Center	273 kW	2023
Total	1103 kW	

B. Financial Considerations

The Inflation Reduction Act of 2022

Many municipalities began their solar programs by renting their roofs to third party companies, primarily to realize some electrical savings without needing to expend capital or have the responsibility for caring the systems. The 30% federal investment tax credit (ITC), which was available for private solar arrays since 1978, was not available to municipalities until 2005 (10%) and periodically renewed with the last change made in August, 2022 with the passage of the Inflation Reduction Act. This made a 30%-40% federal Investment Tax Credit rebate available to many entities, (including NGO's and 501(c)3's) and extended it further to municipalities, **significantly changing the economics of municipally-owned solar.** This state of affairs was dramatically altered by the Trump Administration on July 3, 2025, as part of the One Big Beautiful Bill Act (OBBBA), curtailing ITC including the municipal rebates by establishing rules requiring that projects either be placed in service by December 31, 2027, or provided a "safe harbor" provision to execute contracts and expend at least 5% of the project cost by July 4, 2026 for projects smaller than 1.5 MW in which case they were granted a 4 year window to complete the projects by July 3, 2030. Restrictions were also imposed limiting credits for projects using components from some Foreign Entities of Concern (FEOC).

Arbitrage Rules

The ability of municipalities to issue federally tax-free bonds, (and also MA tax-free to MA taxpayers), allows municipalities to borrow at very favorable rates, currently in the 3.5%-4.0% range. Because of this, municipalities are barred from arbitrage (essentially, borrowing at low cost in order to invest in assets which bear a higher return and gaining a

profit from that activity). **The ability to invest in solar systems is one of the exceptions to this rule,** and the Federal Government had long created policies specifically designed to encourage solar investments by municipalities until curtailed by the OBBBA.

C. Current and Planned Solar Initiatives

Current:

In the 2023-2025 period, via the language included in the Debt Exclusion Capital Override votes, the Building Committees overseeing the School projects at Driscoll and Pierce were able to apply any remaining Contingency Funds to solar rooftop arrays.

1. Driscoll School, 2026

The Driscoll solar project, which will be Town-owned, is now underway under the direction of Alexandra Vecchio, Director of the Sustainability Division, with contracts let in late 2025 (Solect) and an expected installation start expected around March, 2026. This array is approximately 200 kW, and expected to provide approximately 25% of Driscoll's electricity, at an initial capital cost of approximately $515,500. Over its 25 years lifetime, the system is expected to provide a total savings of about $1.7M before any associated operation and maintenance costs. As this school has an electrically driven ground-source heat pump system, the pairing with solar array is an excellent way to avoid some of the Eversource purchases that would otherwise be required.

2. Pierce School, 2027(?)

Following the template developed by the Driscoll solar initiative, Pierce is also planned to have a rooftop array (332kW), again structured to be funded from any unexpended contingency funds in the project budget, and again used to offset electric needs of the geo-thermal heat pump system. As the school is scheduled for completion in October, 2027, the challenge will be to complete the array in manner that will keep it eligible for the federal Investment Tax Credits that expire on December 31, 2027. The Sustainability Division is currently negotiating pricing and timelines. All efforts are being made to obtain the safe harbor afforded under the 5% rule to garner the 30% ITC for this system as well.

3. Planned New Solar Initiative

The new $3.2M initiative currently proposed and described in the Sustainability Director's memo of 1.22.26 (see Appendix B: Memo from Sustainability Division, 1.22.26) would continue the Town's investment in municipally-owned solar arrays. It describes two Tracks to be followed:

Track 1: ITC-Targeted Near-Term Installations

Track 1 focuses on five high-readiness municipal sites that have been evaluated for solar potential in coordination with planned capital work, and deliverability within the ITC qualification window, which ends on December 31, 2027. The Track 1 sites include five rooftops: Brookline High School, Town Hall, Brookline Village Library, Fire Station 1, and Pierce School. This Track is to be funded with the initial $3.2M commitment.

Track 2: Planning and Sequencing for Future Solar Installations

In parallel, the Town will initiate comprehensive planning, financial assessments, and feasibility of solar installations at the remaining 17 sites identified by the SFWG. Staff will immediately commence work to identify an Owner's Agent to act on behalf of the Town and to develop a Request for Proposals to identify a vendor to assess, design, and construct additional town-owned solar projects. The goal is to procure a long-term contract with a solar developer under M.G.L. c. 25A, §11C that can be reviewed and considered for approval at the fall 2026 Town Meeting. Importantly, construction funding is not required upfront to advance this contract; instead, the Town can proceed with the selected vendor to evaluate sites, costs, financial returns, and budget implications. This planning phase is intentionally designed to inform a thoughtful, long-term CIP strategy while ensuring that investments are made when projects are truly ready, financially sound, and aligned with other capital projects. At the same time, it is important to note that a systematic approach to funding these additional initiatives is required.

All solar capacity installed through 2023 totaled 1,136 kW; Driscoll (200kW) and Pierce (332kW) are expected to add 532 kW more; and the addition of the projects installed with the $3M new initiative may add an additional 1,250 kW, for a possible installed capacity of 2,918 kW by 2028. The pattern is instructive:

Year	Installed	Type
2000-2004	0 kW	N/A
2005-2009	25 kW	Owned
2010-2014	8 kW	Owned
2015-2019	0 kW	N/A
2020-2024	1103 kW	PPA
2025-2029	1782 kW	Owned (as planned)
Total	2918 kW	

In FY 25, the Town purchased 15,319,600 kWh and generated 1,174,427 kWh from its arrays, for a total usage of 16,494,027 kWh, with solar providing a little over 7% of the total usage and an avoided cost value of approximately $275,000. When the new arrays are completed, the 2918 kW are estimated to provide about 3,209,800 kWh, or 19.5% of the FY25 usage, with an avoided cost valued at approximately $800,000 annually.

The cost/benefit of the $3.2M Solar Initiative can be seen in the Memo dated 1.29.26, and is presented in the Chart below.

					Utility Rate Inflation Scenarios		
Location	**System Size (kW)**	**Gross Capital Cost**	**Net Cost - 30% ITC**	**Net Cost - 40% ITC**	**25-year Savings (if 3% inflation)**	**25-year Savings (if 4% inflation)**	**25-year Savings (if 5% inflation)**
Brookline High	488	$1,171,200	$819,840	$702,720	**$4.9M**	**$5.6M**	**$6.4M**
Town Hall + Library	420	$1,008,000	$705,600	$604,800	**$4.2M**	**$4.8M**	**$5.5M**
Fire Station 1	65	$156,000	$109,200	$93,600	**$656K**	**$747K**	**$852K**
Other Town Buildings	277	$664,800	$465,360	$398,880	**$2.8M**	**$3.2M**	**$3.6M**
Total Solar Installation (kW)	**1,250**	**$3,000,000**	**$2,100,000**	**$1,800,000**	**$12M**	**$13.75M**	**$15.7M**
Internal Rate of Return (IRR)	3% Inflation	14%	19%	22%			
	4% Inflation	15%	20%	23%			
	5% Inflation	16%	21%	24%			

Source: Vikram Aggarwal

Key Assumptions behind this Chart:

- The total gross cost to install solar is $2.40 per Watt. Based on this cost, the Town would be able to install approximately 1,250 kilowatts of solar at its buildings for a total cost of $3M.
- Annual operations & maintenance (O&M) cost is estimated to be $0.02 per Watt

The estimated annual savings in the first full year of operation from 1250 kW of installed capacity is approximately 1250kW x 1250kWh/kW x .25/kWh = $390,000.

D. Identifying the Opportunities

ZEAB and the Solar Working Group:

The Zero Emissions Advisory Board, chaired by Nick Caramello, has members with experience in the private solar field, including Vikram Aggarwal, the founder and former CEO of EnergySage, Inc., the leading marketplace for solar photo-voltaics, community solar, and a recognized expert and thought leader in the solar field. In conjunction with several others, a Solar Financial Working Group (SFWG) was convened in October, 2025 to examine municipal solar as both a climate strategy and a long-term financial tool for the Town. The SFWG was charged with identifying opportunities to reduce energy costs,

manage financial risk, and advance Brookline's climate goals through town-owned solar, while ensuring recommendations were grounded in realistic implementation, sound procurement, and thoughtful capital planning. The members were:

Michael Rubenstein, Select Board
Erin Chute, Commissioner, DPW
Alexandra Vecchio, Director, Sustainability & Natural Resources Division
Nick Caramello, Chair, ZEAB
Vikram Aggarwal, member, ZEAB
Sergio Modigliani, Architect, Expenditure & Revenue Study Committee

The SFWG, led by Alexandra Vecchio and Vikram Aggarwal, was initially able to identify and quantify 24 potential sites (see Appendix for SFWG presentation). This initial preliminary high-level effort benefitted from the involvement of Station A, a national player in the municipal solar market, and who used remote technology to evaluate the site addresses the SFWG provided, along with electric meter data and current contracted costs with Eversource. If all these sites proved to be feasible, they were estimated to have the capacity to provide about 82% of Town's FY25 electrical needs at an estimated capital cost of $25M. Interestingly, the SFWG was able to show that the debt service payments on a 10 year level payment bond at current rates (3.5%) was approximately equal to the avoided cost of electricity in the first year of an array's operation ($3.01M avoided cost and $2.99M debt service), and had a breakeven of approximately 8.3 years. If the ITC program was available for use, the capital cost would be reduced by a $7.5M rebate to $17.5M, and the breakeven reduced to 5.8 years. (Ref: SWG 11.17.25 power point presentation to the Futures subcommittee).

However, a number of sites were subsequently identified as having various encumbrances that would not allow them to proceed immediately. The identification and evaluation of potential municipal solar sites required coordination across a number of Town staff and Departments, including.

- Purchasing, Legal and Financial
- Building Maintenance Schedule for Roof Replacement (see Appendix for Schedule)
- Preservation Commission (Historic District purview)
- Art. 97 (Parks and Recreation)

Brookline also a tradition of:

- Public process and public comment (Community Support)
- Protection for Trees and Tree Canopy

E. Origins of the Current Initiative:

Finding an approval path through these initial 24 sites led the SFWG to the creation of what were called Tier 1 sites, believed ready to go forward within the constraints identified above. This was a collaborative effort with the Sustainability Division and other Town staff, and led to a proposed program of 13 rooftops, and 2 parking area canopies at a capital cost of $12M for combined systems of 4.5MW. The SFWG returned for a second presentation to the Futures subcommittee on 12.17.25 (see Appendix for presentation) and presented this Tier 1 package, including the obvious cost/benefits and the importance of trying to move forward as quickly as possible to maximize the opportunity of for the ITC rebates. The group of projects could generate an estimated 5,600,000 kWh annually, about 36.5% of the town's FY25 electricity usage and potentially save between $21-27 million over 25 years (expected solar panel lifetime).

Budget and Time Pressures:

The Solar Initiative, as shown in the two slide deck presentations by the Solar Working Group, were clearly important to the Futures subcommittee on several grounds:

- they offered a way of reducing the utility line item in the Budget, making those funds available for other needed uses;
- the investments provided a significant value in both having a rapid return on investment (ROI) and were demonstrated as increasing in avoided cost value if utility rates increased;
- met many of the key aspects of the near-final Climate Action Resiliency Plan (CARP) in terms of reducing the Town's carbon footprint;
- provided a unique leverage of the Town's capital funds and the opportunity to receive the ITC tax rebates if completed in a timely fashion;

A problem that needed to be addressed was that there were no funds planned in the Town's CIP for this undertaking. As shown in the Town's FY26 Budget Book, and the recent Long Range Financial Plan of January 12, 2026 the Town was already committing nearly 12% of its Budget to Debt and Interest payments, somewhat higher than the more typical 10% target. As a result, there appeared to be little possibility to bring the Solar Initiative to fruition by issuing new debt until 2030, when some debt capacity is created by the retirement of some prior obligations.

This timeline presented an immediate challenge to the goal of seeking to maximize the opportunity presented by the ITC rebates, which required an accelerated program with defined end dates beyond which the projects would lose their eligibility.

F. Financing Considerations

Through a significant and diligent effort, the Deputy Town Administrator Melissa Goff and the Town Administrator Chas Carey were able to find some funding through an expenditure of cash in the CIP program, allowing the Town to place the $3.2M amount into the proposed FY27 Budget. Of this amount, it is expected that approximately $3.0M would be for construction capital and approximately $200K for "soft costs" associated with consultant services, including necessary evaluations, engineering and design, bidding, and permits.

While future solar investments may proceed by issuing debt, in this case issuance of debt was viewed as less desirable because:

- exact amounts required for each site are not yet known;
- the possibility of the ITC rebate made the principal amount needed uncertain;
- the required speed necessary to launch and construct was easier to complete if the projects made the use of cash;
- the planned FY27 debt load was already above desired targets.

By advising that the Town proceed in this manner and on this schedule, the Town Administrator and his finance team, supported by the Sustainability Division, Building Department, Purchasing and Legal, has made it possible for the Town to have the best chance at garnering the ITC rebates, which are estimated to be in the $900K-$1.2M range. (See also MMA article re Municipal Solar Financing in Appendix.)

Funding for Track 2:

The Sustainability Director's Memo of 1.22.26 identified a thoughtful two-track approach that moved certain projects forward as quickly as possible with the goal of capturing the federal ITC. From a Futures Subcommittee perspective, this second track is critical and will require future CIP support and policy guidance. Subject to the third party review by the Sustainability Division's consultant, the next tier of sites would be likely be drawn from those already identified in the 12.17.26 presentation and which identified an estimated $12M capital investment. As this included some of the Track 1 sites, an estimated $10M would be required for this portion of Track 2 to be implemented, although it may occur incrementally. The consultant would provide updated cost/benefit information.

Track 2, however, is not intended to end at this level of financing, as the original 11.17.26 SFWG presentation contemplated at $25M capital investment that was estimated to provide 82% of the Town's electrical usage and bring an avoided cost of approximately $3.38M annually. It is important to understand that larger contracts encompassing multiple sites may also provide the Town with some economies of scale, whether on purchasing,

installing, or maintaining the systems, but also placing a more concentrated burden on Town staff in the administration and oversight. (See Appendix for Bonding example.)

Perhaps most significantly, the Solar Initiative, when fully funded, offers the clear opportunity to bring the electricity purchase portion of the Town's Budget to near zero in a cost effective manner, and in the near term. The Town's electricity kWh consumption for its buildings has been steadily increasing, partly because new schools are larger than before, increasingly used on a year-round basis, and now air-conditioned. The dollar cost per kWh will also increase based on forecasted utility rate increases. **The Solar Initiative investment therefore serves to both help control this segment of the Budget and an important contribution to the Town's carbon net-zero goals.**

G. Additional Recommendations

The Futures Subcommittee considered several other aspects of the new Solar Initiative and notes the following for the attention of the appropriate entities as may be best determined by the Select Board and the Town Administrator:

- believes it critical for the Sustainability Division to incorporate and publish the cost/benefit projections of the Plan with each financial investment to demonstrate to Brookline voters the powerful economic logic behind these solar investments;
- thought should be given to the preferred financing mechanisms given the favorable paybacks atypical of other municipal capital investments;
- thought should be given to allocation and accounting of the annual electrical cost avoidance in the Operating Budget and as reported in the Budget Book;
- thought should be given to the allocation and use of the Investment Tax Credit proceeds;
- thought should be given to public education concerning:
    - carbon capture of a solar panel vs. a tree;
    - public perception around visible arrays, as on parking lot canopies;
    - understanding the contribution solar arrays make to the Town's CARP.

H. A Note to the Reader re: PPAs

<u>Municipally Owned Systems are preferred to Power Purchase Agreements (PPA)</u>

In the case of Driscoll, it is worth noting that under a PPA approach, the Town would have left about $760,000, or about 45% of the benefit behind, and if, as expected, the federal Investment Tax Credit is obtained, nearly $935,000, or 55% of the benefit would have been lost to the PPA. Instead of this $700K-$900K outflow, the Town will need to bear the costs for:

1. underwriting, placement and debt service if bonding is used;
2. consultant fees to do analytics, engineering and design docs; OPM services
3. staff time to coordinate and oversee construction
4. 25 year maintenance service vendor
5. 25 year maintenance costs, including component replacement as needed
6. disposal at the end of its useful life (25+ years)

Initial analyses suggest these items may cost the Town around $100,000-$200,000, pointing to a significant advantage (approximately $500,000 or more) in being municipally owned. The merits of municipally owned systems has also been independently arrived at by at least 15 other comparable communities, who, having conducted their own financial analyses, have already noted the favorable economics and have been proceeding with the municipally-owned model rather than PPA's. While a big factor in switching to municipally owned systems was the 30%-40% ITC available under 2022 Inflation Reduction Act (IRA), the subcommittee notes that **the current economics of municipal ownership are compelling even without the ITC.**

Electrical Demand Management Strategy

Executive Summary

The Town's electric bills with Eversource, as is the case for all non-residential accounts, incorporate a Demand Charge, a charge that is in addition to the standard usage charge per kWh. A Demand Charge is based upon the measurement of the peak usage (kW) during any 15 minute period in the monthly billing cycle. This Demand Charge is then applied to every kWh used in the monthly billing cycle. The Demand Charge portion of each bill typically represents 25%-40% of the total charge, varying by season and by facility.

With the goal of better controlling electric costs, being able to "shave" the peak loads in a facility can be done in several ways. One well-known technique is the to shed or spread loads by controlling when certain pieces of equipment are allowed to turn on – as, for example, delaying a large motor or compressor from turning on if several other large pieces are already running.

Another is to employ a battery system that is charged up during non-peak load periods (i.e., perhaps at night or over a weekend, or from a solar array) and then employing that stored energy to run equipment, thereby reducing the load on the utility. In the last year, Battery systems via a Power Purchase Agreement (PPA's) have become available, reliable, and cost-effective.

Narrative

Battery storage PPAs are contracts that allow users to procure energy storage solutions alongside regular and renewable energy, optimizing energy use and reducing costs.

What is a Battery Storage PPA?

A **Power Purchase Agreement (PPA**) is a long-term contract between an electricity generator (like an energy provider) and a consumer (typically a business but could be a municipality). In the context of battery storage, these agreements enable consumers to integrate battery energy storage systems (BESS) with their energy procurement. This integration allows for the storage of excess energy generated during low-demand periods and its discharge during peak demand, optimizing energy consumption and mitigating exposure to volatile energy prices.

Benefits of Battery Storage PPAs

1. Cost Savings: By securing a fixed-rate electricity price through a PPA, consumers can shield themselves from market price spikes and reduce their overall energy costs.

2. Energy Independence: Battery storage systems allow consumers to store excess solar or wind energy, reducing reliance on the grid and enhancing energy resilience.
3. Sustainability Goals: Battery storage PPAs support carbon reduction initiatives by enabling higher consumption of renewable energy, thus lowering Scope 2 emissions.
4. Operational Flexibility: These agreements provide consumers with the ability to manage energy loads effectively, allowing for peak shaving and backup power during outages.
5. Revenue Opportunities: Stored energy can be sold back to the grid during high-price periods, creating additional revenue streams for consumers.

How Battery Storage PPAs Work

- Installation and Maintenance: The PPA provider typically handles the installation and maintenance of the battery storage system, ensuring optimal performance without upfront costs for the business.
- Energy Generation and Usage: Consumers pay for the energy produced by the storage system at a predetermined rate, which is often lower than standard electricity rates.
- Long-Term Contracts: Battery storage PPAs usually span several years (typically 5-20 years), providing long-term cost stability and predictability in energy expenses. Conclusion Battery storage PPAs represent a strategic approach for consumers looking to enhance their energy management, reduce costs, and meet sustainability targets. By integrating energy storage with renewable energy procurement, entities can optimize their energy use and contribute to a more resilient and sustainable energy future.

Conclusion

Battery storage PPAs represent a strategic approach for consumers looking to enhance their energy management, reduce costs, and meet sustainability targets. By integrating energy storage with renewable energy procurement, entities can optimize their energy use and contribute to a more resilient and sustainable energy future.

School Model Analysis

Recommendation

Based on the analysis in this document, the Schools Subcommittee recommends that there is enough cost savings opportunity through classroom consolidation that, whether it is considered as part of a middle school model or more broadly, the School Committee and PSB should explore how to begin a study on this topic in FY27. The Schools Subcommittee also believes that there may be an opportunity to revisit and expand the existing buffer zones to create cost savings at a smaller scale by enabling more classroom consolidation

Summary

The objective of the School Model Analysis is to evaluate whether redistributing students across Public Schools of Brookline's (PSB's) existing school buildings could enable an improved cost structure by increasing class sizes within PSB guidelines, while also minimizing potential new costs such as a) transportation and b) retrofitting building space for specialized needs such as science labs. This analysis does not address additional benefits or implications of a new school model such as a) the creation of opportunities for academic differentiation, b) broader social engagement, and c) the expansion of academic and extracurricular programs for middle schoolers. However, the committee does believe these benefits exist and should be studied and considered in conjunction with tradeoffs or "cons" with a revised school model

Table 1 shows a summary of key data points from each scenario modeled, with further explanation of each scenario in the *School Model Scenarios* section of this document.

Table 1: Scenario Summary

Scenarios	Classrooms Open	Avg. Class Size	Sections Reduced	Specialists Reduced	Total Teacher HC Reduced	Paraprofessionals Reduced	Est. Cost Savings
Baseline 2025-26	6	19	-	-	-	-	-
1: 3 Middle Schools	32	21.2	26	7.8	33.8	5	$4.3M
2: Hybrid	27	20.7	21	6.3	27.3	5	$3.5M
3: 2 Middle Schools	38	21.8	32	9.6	41.6	6	$5.3M
4: 2 Middle Schools, larger class sizes	46	22.7	40	12	52	7	$6.6M
5: Non-neighborhood school assignments, fixed class sizes	58	24.2	52	15.6	67.6	12	$8.7M

Based on the analysis, each of the scenarios modeled could create cost savings across the district by consolidating classrooms and would also free up building space across PSB's current K-8 buildings. This space could be used for additional programming such as the expansion of BEEP within the K-8 buildings, "tuitioning-in" students from other districts (out-of-district or OOD placements) into PSB's current special education programs as a new revenue stream, or for other PSB programs.

While tuition for OOD placements varies depending on the program, a therapeutic middle school program like Winthrop House, for which the PSB suggests there is significant demand, could generate $60k-70k per student per year in current dollars[56]. PSB's internal analysis, shared with the School Committee on January 22, 2026, shows that Adaptive Learning Center, Winthrop House Middle School, and Language & Academic Home Base will be priced at $109,694, $67,6748, and $67,376 respectively for out-of-district students in FY27[57] as PSB starts to explore this new program. These prices will be revisited on an annual basis.

A substantial expansion of such a placement program for OOD students could generate a meaningful amount of revenue for PSB and cover the incremental cost of educators and administrators required to operate the program. The overall revenue opportunity from OOD placements is being addressed by PSB staff as part of their FY27-29 budgeting process.

Assumptions and Inputs

The School Model Analysis is based on the following assumptions and inputs:

1. The baseline scenario is the current 2025-26 enrollment and distribution summary shared by PSB administration during the November 6, 2025 School Committee Meeting[58].
2. The Cropper report projects PSB enrollment between FY2026 (6673) and FY2029 (6677) to be flat. Based on this, the scenarios in this document are modeled using PSB enrollment numbers from the 2025-26 school year.
3. School section data was taken from each individual K-8 school website and estimated for grades 6-8 based on academic teachers per school and from

[56] Source: https://www.mass.gov/info-details/special-education-tuition-pricing-details

[57] Source: https://brooklinema.portal.civicclerk.com/event/14911/files/attachment/10469

[58] Source: https://brooklinema.portal.civicclerk.com/event/14107/files/attachment/9414

conversations with individuals from each community. As a result, this information may require some refinement using actuals data from PSB administration.

4. This analysis assumes specialist instructors are staffed at a ratio of .3 FTE for each section or academic teacher.
5. FY26 empty classroom data is taken from the building and capacity analysis completed by Cliff Brown and shared during the 12/1/25 E&RSC Schools Subcommittee meeting as well as data shared by PSB with the E&RSC committee, which confirmed there are currently six empty classrooms at Driscoll.
6. All scenarios except #5 assume that buffer zones enable enough movement across schools that students can be redistributed to even out classroom sizes between neighboring schools.
7. Average teacher salary was taken from DART and is assumed to be $120,751; average paraprofessional salaries are assumed to be $42,000.

The following areas also are not considered within this analysis and would need to be contemplated as part of a future, full study on a revised school model:

1. Any impact to administrative staff based on a revised school model. The current analysis does not assume any cost savings due to consolidation of administrative roles.
2. Possible cost savings that may result from limiting travel time between schools for certain PSB staff members who work in multiple buildings today, either from mileage costs or from maximizing time spent in the classroom by those teachers.
3. Possible cost savings from limiting the need for part-time teaching staff who receive full benefits or moving that staff to full-time.
4. Possible cost savings to the Town related to benefits for reduced positions.
5. Any positive or negative impact on special education programs.
6. Capital investment required to update buildings to accommodate a larger population of middle school students, such as additional lab space.

7. An analysis of whether transportation would be required in a revised school model. DESE requires busing for travel of more than 2 miles [59] and PSB's stated policy is to provide busing for distances greater than 1.5 miles [60].
8. Updates to PSB school districting and school buffer zones required to optimize any of these scenarios.
9. Any implications to MSBA funding that PSB secured when building and renovating its existing K-8 schools.
10. Any limitations within the Brookline Educators Union contract related to the revised model or updated class sizes.
11. The analysis is a 'stabilized' view. It does not analyze the interim steps or costs that might be required or incurred to migrate to any individual alternative.

School Model Scenarios

For the purposes of this exercise, we modeled five scenarios to understand the implications to PSB staffing costs. In developing these scenarios (except for scenario 5), we applied the following guiding principles:

- Retain at least two sections in each grade, in each school. We do not believe that a 1 section K-5 program is reasonable within a hybrid elementary and middle school building (e.g. in FRR, Driscoll, and Baker in Scenario 1).
- Retain the neighborhood school model as much as possible. The neighborhood school is an important part of the Brookline educational and community experience. Our goal was to retain the neighborhood school model to foster local friendships for students and a sense of community, as well as to minimize PSB transportation costs.
- Utilize newer buildings as middle schools. Newer school buildings would be less costly to update or retrofit for specialized classroom space such as science labs. Therefore, all of these models assume that the newer buildings are utilized for middle schools, with the exception of Baker in scenario 1.

[59] https://www.doe.mass.edu/finance/transportation/guide.html?section=policy

[60] https://resources.finalsite.net/images/v1745567223/brooklinek12maus/cbrmatmelbnclv6yxkpz/psbtransportationpolicy.pdf

The five scenarios modeled are described below. We would emphasize this does not represent a fully exhaustive set of school model options.

Scenario 1: three middle schools - this scenario includes three middle schools at Driscoll, FRR, and Baker in addition to continuing K-5 programs in those buildings. These buildings were chosen because they are more recently renovated (Driscoll and FRR) or are the larger of the two options (Baker). The remaining buildings (Lawrence, Pierce, Lincoln, Runkle, and Hayes) would only operate K-5 programs. In this scenario, the FRR building is over its classroom capacity by 2 classrooms if we retain a 2-section minimum across K-5 grades. Several other buildings are significantly under capacity. Further, the consolidation of middle school between Lincoln and Baker did not result in material section savings and is also not an ideal consolidation due to the schools' disparate locations.

A different distribution of students could include Lincoln, Pierce, and Lawrence feeding into one middle school at Lawrence, with FRR, Driscoll, Hayes, and Runkle feeding into a middle school at Driscoll. In this case, Baker would remain a standalone K-8 school. This distribution likely requires more travel for more students and adds administrative complexity due to operating two different school models in the district but could be an alternative '1a' option.

Scenario 2: hybrid middle school and K-8 - In this model Driscoll and FRR remain as K-8 schools and serve as the middle schools for Pierce, Lawrence, Runkle, and Hayes. Lincoln and Baker remain as they are today, operating as K-8 schools for their local communities. In this scenario, classroom size is not optimized for these two schools. This model likely creates more administrative complexity and limits the ability of PSB to ensure a consistent middle school experience for all 6th-8th graders, which is already an existing concern for the district. As a result of retaining two K-8 schools, this model also does not create as much cost savings as the other scenarios modeled.

Scenario 3: two middle schools - In this scenario there are two middle schools: FRR and Driscoll. K-5 students from these schools are distributed across Lawrence and Pierce for FRR, and Runkle and Hayes for Driscoll. Given the space required to accommodate additional middle school students from Lincoln and Baker (as compared to scenario 1), this model results in FRR and Driscoll serving as middle school buildings exclusively due to capacity limitations. This scenario would require busing for Baker middle school students to Driscoll. While Pierce could also be a more ideal middle school building in this scenario given its central location and new building, it may require busing for certain FRR students. Pierce's limited outdoor space could also be a limitation for a robust middle school program.

Scenario 4 - two middle schools, larger class sizes - this scenario uses the two middle school model in scenario 3 and increases class sizes to an average of 22.7 students per class across the district, but while also maintaining smaller classes in lower grades. This scenario resulted in average class sizes of 20.6 for kindergarten, 21.3 for first grade, 21.9 for second grade, and then increasing to closer to 23 for fourth and fifth grades. Middle school class sizes increase again to ~24 per class. The purpose of this scenario is to demonstrate the possible cost savings with class sizes that are more in line with target class size targets historically discussed within PSB (although not as part of an official policy).

Scenario 5: non-neighborhood schools - This scenario simply redistributes students across Brookline, optimizing only for class sizes and does not consider the guiding principle of retaining the neighborhood school model. This scenario was intended as a thought exercise to demonstrate the maximum cost savings that would result in optimizing only for class size at the top end of the size range. Because class sizes in this scenario are fixed at 24 or 25 students per class, the total enrollment number is slightly different from the actual FY26 enrollment number that is used as the baseline scenario.

In this scenario, *every address* would be associated with a 'base' school assignment (the designated school assuming there is space at that school, adhering to the target class size) and then an 'overflow' school for an alternative school assignment, which may enable greater flexibility in optimizing class sizes/sections.

Given the greater distances students will likely need to travel in this scenario, busing would be mandated per DESE policy if a student lives 2 miles away from their school (or 1.5 miles based on the current PSB transportation policy). Excluding Baker and Hayes, most combinations of the remaining 6 schools, taken 2 at a time, would be associated with school-school distances of less than 2 miles, suggesting that selection of an *overflow* for a given address would not result in need for busing (acknowledging that school-school distance is only a proxy for home address-overflow school distance). In fact, for each of the 6 non-South Brookline K-8 schools, there are at least 2 examples of neighboring schools that are under 1.5 miles away, suggesting this model may not require substantial busing even if PSB's 1.5 mile threshold for busing is preserved.

Table 2: Distance from "Base" School to "Overflow" School (miles, values in green/bold are <1.5 miles)

"Base" School	Baker	Driscoll	FRR	Hayes	Lawrence	Lincoln	Pierce	Runkle
Hayes	-	**1.3**	-	1.7	-	1.7	1.6	**0.7**
Lincoln				1.7	**1.4**		**0.8**	**1.4**
Pierce			1.5	1.6	**0.5**	**1.0**		
Lawrence		**1.3**	**0.8**			**1.4**	**0.5**	
FRR		1.5			**0.8**		**0.8**	
Runkle		**0.7**	1.7			**1.4**	**1.4**	

In this scenario, we do anticipate a single bus may be needed to transport 10-20 students to Baker in K-2. There may be additional transportation needs, however, as each address is mapped to a 'base' and 'overflow' address. Further analysis could be done on the need for transportation using the existing buffer zones to baseline the current distances students travel across town to determine whether scenario 5 would be a material change from the current state.

Outstanding questions

We have the following questions based on the school model analysis that should be considered in any follow-up study by PSB:

1. Are there specialized space needs for some of our special education programs that should be considered in this analysis?
2. What are comparable community class sizes by grade?
3. Is Brookline currently above or below the comparable community average? It would be helpful to include this in our report. DART has teacher ratios but not class size data.
4. Should we evaluate a redistricting model where every address has a primary school and secondary school? The secondary school would be used if the primary school is at capacity. There are other complicating factors with this option such as not separating siblings, regardless of age gap, no stated policy that says move-ins, regardless of proximity, may be allocated to secondary location, etc.

Revenue Enhancement Opportunities

Economic Development Plan

A. Executive Summary

Leadership and Staffing:

1. The Select Board should identify a member to be primarily responsible for liaising with the Planning Department and various boards and commissions (permanent or temporary) involved with Economic Development. This individual should be independent from any of the Town's land-use advocacy organizations.
2. The Town Administrator should evaluate how the Economic Development and Long-Term Planning division is organized and staffed and its priorities.
3. The subcommittee recommends evaluating the benefits of elevating the economic development function to one that reports to the Town Administrator.
4. The subcommittee recommends the named Select Board member, along with staff, develop relationships and have consistent dialogs with major property owners and developers active, or seeking to be active, in the Town.

Education and other recommendations

1. The subcommittee recommends the Select Board request that some combination of the Planning Department, EDAB, the Advisory Committee and staff prepare educational presentations on the fundamentals of the Town's financial position and policies, economic development and zoning. These presentations would be periodically offered and provided, as appropriate, to the Select Board, relevant Boards and Commissions and Town Meeting members.
2. The subcommittee recommends that the Steering Committee of the Comprehensive Plan seek consensus and identify geographic areas that the community can agree upon in advance for locations for increased commercial development, affordable housing and similar uses important to the social and financial well-being of the Town.
3. The subcommittee recommends that immediately upon completion and acceptance of the Comprehensive Plan, the Select Board instruct the Town Administrator to implement a systematic effort to revise the Zoning By-Law to reflect agreed changes to geographic districts where additional densities and specific uses have been agreed to.

4. The subcommittee recommends allowing the Planning Board to grant Special Permits at small and intermediate scale without referral to the Zoning Board of Appeal, as, for example in the class of cases under Deadrick (1-2 family only), where the Chapter 40A section 6 standard is to determine whether the change "…not significantly more detrimental to the neighborhood."

B. Report Summary

• New Development is a Primary Lever for New Tax Revenue:

Economic development generally is the greatest mechanism a municipality has for generating significant income and thereby limiting taxpayer burden. **If there is a sincere desire to offset taxes and reduce the size of or need for overrides it is no different for Brookline.**

• Revenue realization from economic development takes years:

The scope of economic development available to municipalities is not uniform. It is subject to myriad factors, some of which an individual municipality can control and some of which it cannot.

• Imperative to create the necessary environment in advance:

It is therefore critical that a municipality creates and has in place systems, regulations, and both professional and executive leadership to take advantage of opportunities when they present themselves, as well as to creatively engage with parties desiring to invest there. **Absent these factors, new revenue generation from economic development will be meager.**

• No New Net Development Revenue = Continuing and Larger Operating Overrides

With 4 Operating Overrides already done (2008, 2015, 2019, 2022) Brookline has established a disturbing pattern that shows no signs of abating, and likely will become increasingly dependent on Overrides to balance the Budget in the coming years. If voters want to "…keep Brookline just like it is today…", **the only way that could happen is if they are willing to pay significantly higher property taxes for that privilege**.

• The Zoning By-Law is a significant impediment to Larger New Development

Brookline has positioned itself to be reactive to new development proposals. The larger new development proposals, with the largest potential for increasing new revenue, cannot proceed without a cumbersome public process often of two years duration, requiring myriad public meetings, leading to a special Zoning Overlay being created for the specific area in consideration. Thereupon, a Zoning Amendment proposal is placed before the

Town, reviewed by multiple Boards and Committees, and then placed before Town Meeting for a mandatory 2/3rds vote. **Very few developers can afford, or are willing to risk, the cost and the time required to move through the process.**

- **Comprehensive Plan Delay?**

For the past 18 months, Brookline has been working on a new Comprehensive Plan. This work is not expected to be completed until the 3rd quarter of 2026, and will then require a vote of the Planning Board. In the interim, all Zoning initiatives have essentially been "frozen" by referral to the Comprehensive Plan steering committee. It appears that the Chestnut Hill Commercial Area zoning may be an exception, planned to be brought to the Spring, 2026 Town Meeting. However, upon the Planning Board's approval, an effort should be made to initiate Zoning changes that were pending or as recommended by the Comprehensive Plan.

C. Report of the Subcommittee

1. History:

Since at least 1995, Brookline has had a goal of increasing tax revenue from new growth on commercial related properties (commercial, industrial, and personal properties). New commercial development is a powerful resource for allowing the town to maintain and improve its public services and facilities. Commercial properties are taxed at a higher rate (legally allowed up to 175% greater) than residential properties and, therefore, take some of the tax pressure off residential properties. Commercial developments also generally require fewer services than residential developments, the most obvious being that there is no impact on school enrollment or recreational usage. Maintaining the overall economic vitality of the commercial tax base is critical to garnering the benefit of the tax shift differential.

Despite these stated objectives, the Town has struggled to create the framework mentioned above. As such, while there have been several major and successful projects developed in Brookline, the processes required to facilitate them have been a reactive patchwork of zoning overlays that have addressed individual circumstances, as opposed to the implementation of a vision. Though it must be acknowledged that the realization of revenue from new economic development activity will not occur within the next three years, the Committee believes there are actionable steps the Town could, and should, prioritize if it seriously desires to meaningfully diversify its revenue sources beyond that time frame.

2. Present:

Many in town believe that Brookline has few opportunities left for vigorous economic development. That view is based on the relatively small number of identifiable 'large parcels' that some believe represent not just 'low hanging' fruit, but the only fruit left in the orchard.

However, the successful approach to long-term economic vitality should not be solely focused, or dependent, on large-scale development projects.[61] Indeed, a thriving local economy must embrace a view of economic health that includes new commercial and residential development, a philosophy recognizing that robust commercial activity depends on enabling (versus stifling) local regulations and a supportive and increasing population base.[62]

Many of our suggestions are not new. Indeed, we are struck by the plethora of steps that have previously been recommended by both staff and study committees established by the Select Board that have withered through either executive branch inaction or Town Meeting resistance.

For Brookline, embracing and enabling robust systems, regulations and professional/executive leadership **means change.** Maintaining the status quo with a very difficult environment for development, where the Town is almost always reactive and, frankly, on the defensive, will not mitigate the need for continued and ever-increasing Overrides. Being a community that is viewed as hostile to growth and where elected representatives voice support for development anywhere but in their own precincts, is a reputation we need to change if we are serious about wanting to increase economic development and commercial vitality in Brookline.

Brookline rightfully champions its support of progressive ideals and affordability concerns. But it must be acknowledged that the deficit of long-term planning, inadequate resource allocation, inconsistent political will, and sometimes limited working knowledge of real estate economics and finance among elected officials, and Town Meeting Members, have impacted the Town's ability to grow its tax-base and potentially address some of its affordability concerns.[63]

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[61] Smaller in-fill sites do have their own complications. Many have 1 or 2 story commercial buildings and, depending on where they are located, replacing with mid-rise mixed-use buildings could reduce the amount of commercial space at grade.

[62] The impact of population growth does depend on the type of residential development (condos vs apartments) and the unit mix within those developments.

[63] We are not suggesting that real estate economics and finance expertise be a requirement for any individual SB member. But, as discussed further, better working knowledge and broad understanding of the unique tax, finance and operating issues associated with real estate would be beneficial. It is a reason we suggest having a single board member develop a degree of expertise by focusing on economic development.

3. What Contributes to Successful Economic Development?

Consequences of the current Zoning By-Law:

Brookline was one the first communities to adopt Zoning in 1920, shortly after New York did in 1916. The Zoning By-Law still reflects its 105 year-old origins, as for example, in maintaining an FAR of as little as 0.5 and 1.0 in the Town's significant commercial centers of St. Mary's, portions of Coolidge Corner, Washington Square, Putterham Circle (and elsewhere), reflecting the existence of one-story "taxpayers" building erected by speculators who bought up property as a result of the Beacon Street trolley extension (1889) but were uncertain as to what uses would be needed. These ubiquitous structures still line our major commercial streets and have been "frozen" by the By-Law to their current small FAR. Conversely, the height limits on Beacon Street in the By-Law were originally set at 100' (8-9 stories) because Beacon Street was envisioned as a mercantile thoroughfare connecting Boston to Newton. (The Planning Board in 1920 included John C. Olmsted, son of Frederick Law Olmsted.) In the late 1970's Beacon was downzoned significantly to heights of 60'-75'.

It may be that many in Town view the state of the Zoning By-Law as a distinct and desirable advantage, slowing development and making it subject to the scrutiny and comment of interested neighbors and other stakeholders. However, it is important to separate an unreasonable fear of any change from judicious advancement of necessary community goals.

Today, much of the large-scale development in Brookline is subject to neighborhood negotiation prior to the creation of specialized Zoning to allow that specific project to proceed. This is contrary to how Zoning works in some communities, where height and setbacks and densities are pre-established, and new development can largely proceed as-of-right. Brookline's atypical process is a significant impediment to new development, requiring the developer to travel a long, risky road with the Town, (two years is not unusual) only to face the hurdle of a two-thirds vote in TM. In a dynamic real estate market, such a procedure adds significant risk and cost to any project, leading to fewer developers being willing to make such an investment with no certain return. (The only people who may be willing to do this are pre-existing property owners seeking to unlock additional value through increased FAR as seen at Waldo-Durgin (the Zuker family's Chestnut Hill Realty) and now Chestnut Hill Commercial Area by City Realty.)

The subcommittee notes that since net new development revenue is one of the few large "levers" available to help reduce the size of the continuing Operating Override pattern, voters need to consider whether they are prepared to continue to shoulder the ever-

increasing tax burden on their own, without assistance from new commercial and residential development.

Comprehensive Plan:

The Town is currently in the middle of preparing the next Comprehensive Plan ("Comp Plan"), with public hearings forthcoming in February. The purpose of this Town wide work is to lead into zoning reform. Coordinated by a 15-member Steering Committee, the work is expected to continue until September 2026, with the goal of coming before Town Meeting in Fall 2026. It does not require Town Meeting approval, just that of the Planning Board. One of the goals discussed for inclusion in the final Comp Plan is a parcel level map demarcating areas that: have been identified for more development; may need some public investment for improvements (like the public realm and pocket parks); and areas to generally leave alone. The intention is to provide guidance on where to start on rezoning efforts and is intended to be geographic rather than Town-wide, so not based on specific Zoning Districts. One consequence of this effort is that has effectively "frozen" current zoning reform initiatives, with the apparent exception of the Chestnut Hill Commercial Area zoning, headed for the May, 2026 Town Meeting.

The subcommittee notes that the Comprehensive Plan approach has been used in other communities to build consensus **in advance** about areas where increased height and density will be allowed, as well as where particular uses (commercial development, affordable housing) are encouraged. In such an approach, the result is that having established these standards and districts in advance, developers are then invited to come in and build **as-of-right**, largely eliminating the prolonged approval process, substantially reducing risk, and providing what the community has agreed upon in advance.

To that end the subcommittee recommends that the Select Board urge the Steering Committee of the Comprehensive Plan seek consensus and identify geographic areas that the community can agree upon in advance for locations for increased commercial development, affordable housing and similar uses important to the social and financial well-being of the Town.

The subcommittee also recommends that immediately upon completion and acceptance of the Comprehensive Plan, the Select Board instruct the Town Administrator to implement a systematic effort to revise the Zoning By-Law to reflect agreed changes to geographic districts where additional densities and specific uses have been agreed to.

Leadership:

The subcommittee firmly believes that while the day-to-day management and implementation of policy belongs in the Economic Development division of the Planning

Department it also strongly believes that Executive branch leadership, including its commitment to prioritizing economic growth and vitality is a pre-requisite for success. Though we acknowledge the regular turnover on the Select Board, that cannot be an impediment to the establishment of a structure that could cement creative planning as a critical focus of the Town's leadership. We generally agree with the view of the 2020 BFAC report that recommended Brookline have an executive focused on the matter of economic development. Our view is the Select Board identifies a member, with no current or prior affiliation with an interest group[64], to take on this responsibility. Supported by all Select Board members, this SB member should be tasked as the primary liaison to work with the Town Administrator to develop goals and objectives as part of a strategy that promotes economic development. Included in this could be working with the Town Administrator to evaluate how the Economic Development and Long-Term Planning division is best organized and staffed to address the priorities set be the Select Board. For our part, the subcommittee suggests considering the elevation of the economic development function to one that reports to the Town Administrator. We believe it is important for the Town Administrator, staff and the named Select Board member to develop relationships and have consistent dialogs with major property owners and developers active, or seeking to be active, in the Town. Finally, this Select Board member would serve as the principal liaison from the Select Board to the various boards and commissions (permanent or temporary) that are involved with economic development activities and initiatives.[65] We appreciate the role outlined above would require a substantial time commitment on the part of the named SB member. The focused responsibility should result in deeper knowledge and expertise on the SB and lead to better cross-fertilization among the disparate boards and commissions involved in economic development activities in Brookline.

Adequate staffing and resources:

Economic development is a complex, multi-faceted and ongoing endeavor. It will not be successful if there are insufficient human and financial resources allocated to the effort. Current staffing levels should be evaluated to determine whether they are sufficient to address all the prospective opportunities or matters discussed herein. That does not mean staff should not or cannot be augmented by the retention of outside parties. Active participation in opportunities and projects by the experts appointed to the Economic Development Advisory Board has been invaluable. The willingness to devote time and hands-on expertise should be discussed when candidates are vetted by the Select Board.

[64] In particular, interest groups with a focus on zoning, land use, or housing. Current or prior affiliation includes being a dues paying member, financial contributor or officer of such an entity.

[65] These would include, but not be limited to, EDAB, the Planning Board, the Transportation Board, and, as of this point in time, the Small Business Development Committee and the Chestnut Hill Commercial Area Study Committee.

The judicious use of consultants also is and will be necessary and should provide a level of welcome independent insight and expertise.

Education:

The matter of economic development need not be as adversarial as it is in Brookline. To that end, it is important there be broad and deep understanding about the opportunities and challenges facing all parties that have a vested interest in promoting economic development. In addition to the Town (including its residents), this includes developers, banks, investors, property owners and local businesses. Neutral presentations and conversations about development and real estate economics should be periodically offered and held, particularly for Town Meeting Members and neighborhood associations. These can be conducted by staff, the Select Board member responsible for Economic Development or members of EDAB, members of the Advisory Committee, along with community members willing to participate. The dividends of this sort of process may take time to be realized.

Property Development:

While economic development is generally viewed as meaning 'new buildings', the term does (as discussed below) encompass a broader realm of activity. Still, for purposes of this aspect of our discussion, we will focus mainly on the matter of 'new buildings' but will ignore the construction of residential properties of less than 4 units.

The real estate developments that historically have been successful in Brookline fall, broadly, into the following segments:

1. Multifamily:

Or, as commonly known, apartment buildings. Brookline is, and likely will always be, an attractive market for multifamily projects. Though multifamily projects are typically associated with rental units, the Town could evaluate the economic benefit of **encouraging** high-end condominium projects which use fewer services and bring in empty nesters with high disposable income, as a means of subsidizing moderate-income residential ownership. Beyond already strong market demand, where needed, there could be Zoning bonuses concerning density. Further, allowing residential as part of a mixed use development can bolster a commercial component and, in reality, may be needed to help projects 'pencil out'.

2. 40B Multifamily:

Chapter 40B is a law in Massachusetts that allows a developer, under certain circumstances, to avoid zoning restrictions if the developer builds a project where 20 to 25 per cent of the units are considered affordable.[66] These projects circumvent local rules and are sometimes viewed as a last resort by property owners, but their use generally reflects an unwillingness to compromise by a municipality or developer, or both. We note that Brookline has currently reached the 10% threshold where we are not subject to 40B, but still can and should encourage submission of "friendly" 40B's without zoning changes but under development parameters determined by Town.

3. Hotel:

Hotels are by far the most favorable form of development in terms of net new tax revenue[67], having the least impact on Town services, while providing the maximum revenue from the combination of room taxes, meal taxes, and real estate taxes. In addition, hotel guests

[66] 40-B has often been used by developers as a negotiating tool to obtain more favorable zoning relief. However, there is a 'safe harbor' where 'unfriendly' 40-B projects are not allowed. Brookline currently is within the safe harbor.
[67] In addition to providing commercial and personal property taxes, there is the hotel occupancy excise tax at 6.0% of room revenue and the meals tax.

patronize local restaurants and businesses. Brookline has benefited from four successful hotel developments. Hotel developments are subject to market factors very different from other commercial and residential uses and are viewed as being inherently riskier by lenders and investors. Because hotels are operating businesses that must lease (fill) rooms every night, a new development is also dependent on a 'flag' (operator) being interested in the market and the location. Market studies indicate there still is room for additional Hotel uses.

4. Mixed-use:

Mixed use is any combination of different property types and can offer upside and economic benefits to both developers and municipalities. These projects are likely to dominate Brookline's development opportunities for the foreseeable future. Examples would include Waldo-Durgin (residential, hotel, retail and possibly some office), Chestnut Hill West (residential, hotel, medical office, retail) and new residential in accordance with zoning passed to comply with MBTA Communities Act (residential and ground floor retail).

5. Specialty:

An example would be independent/assisted living such as the Newbury on Fisher Hill, and senior housing (55 and over).

6. Medical office:

This specialty office category has flourished in Brookline but poses significant risks to the Town if built to larger scale and/or located along Route 9 given concentrated ownership by not-for-profit entities. Though it is not yet a formal requirement, the Town has been successful in mitigating this risk by negotiating tax-certainty agreements for major new projects. (This means the property owner accepts a deed restriction that requires continuation of property tax payments even if later sold to a tax-exempt entity.)

7. Single building retail:

Several properties exist in Brookline but are both unlikely to be newly developed and are relatively undesirable compared to other property types. On the other hand, these properties may be attractive redevelopment opportunities. Examples include Stop and Shop on Harvard Street, TJ Maxx on Harvard Street, Star Market on Beacon Street, Walgreens on Harvard Street, and the CVS on Washington Street (currently with a very restrictive FAR of 0.5.)

8. General office:

Brookline is not considered to be an attractive general office location with the possible exception of back office for Longwood Medical users in the east Boylston Street (Rt. 9) corridor.

4. How to evaluate new development Impacts on Town Services?

A common concern among residents and planners alike is that new development brings impacts, some of which may not be considered desirable, including more vehicles, use of Town services such as the Schools, Fire, Police, DPW, and to a lesser degree, recreation, libraries, Town clerk, and so forth. For many years, under the guidance of the Planning Department and the Economic Development Advisory Board, the Town has sought to evaluate such impacts through the use of Financial Impact Models (FIMs). Two primary models have been employed in the recent period, the first a model originally developed by BFAC (2020) and then later refined by the Planning Director and EDAB member Ken Lewis (Appendix A: Fiscal Impact Model). In 2024, considering significant market changes from matters such as COVID-19 and the expectation of new development at the Chestnut Hill Commercial Area (CHCA), the Planning Board engaged RKG as a consultant to create a new FIM. **All participants involved with Financial Impact Modeling recognize from the outset that such work is as much an art as a science, and that Model data should be considered as one factor in evaluating new development initiatives.**

The Futures Subcommittee, well aware of the potential importance of the CHCA development and that, as in all new development, the community **needed to have a reasonable basis upon which to measure the potential for net new growth**, requested the RKG model and reviewed its development, construction and results (see Appendix B: RKG Fiscal Impact Analysis, January 2025 and Appendix C: RKG Fiscal Impact Analysis, March 2025). The initial review raised a series of questions (see Appendix D: RKG Model Preliminary Questions) that were directed to the Planning Director.

Model Construction - Methodology

The subcommittee learned that RKG built their model in direct collaboration with the Town's Deputy Town Administrator, Melissa Goff. She took RKG through the approximately 1700 listings in the Town's Chart of Accounts and determined which were to be considered Fixed Costs, which Incremental, and their allocation between the Schools and the Town, and, when certain Fixed Costs were shared between Town and Schools (e.g., Healthcare, Pensions, etc.), allocated those on a percentage basis. Working with the Assessor, a similar effort went into determining the Assessed Values between Commercial and Residential uses; and working with the Planning Director, Ms. Kara Brewton, a review and evaluation of

the number of school age children (SAC) per dwelling unit was made across a range of older and newer residential developments.

Model Evaluation and Results

The Planning Director provided a series of written materials to the subcommittee, including contacting RKG to get clarification of several key assumptions and approach, concluding with a presentation to the subcommittee on 1.23.26 (see Appendix E: Fiscal Impact Models). The meeting proved instructive in several ways. First of all, it confirmed a typographical error noted by the subcommittee. As it happened, this typo had not impacted the RKG results, merely made it difficult for any reader to reproduce them. Secondly, the presentation of more detailed data on the source of the SAC ratio per dwelling unit satisfactorily addressed the basis, quality and methodology used (and has been shown to be consistent with the findings of PSB consultants advising on Enrollment expectations.)

The subcommittee **concluded that the RKG Model and its results met the "reasonableness" test and** could be relied upon to provide useful information on the net revenue that could be expected from 5 different scenarios that were initially examined by RKG in their 3-24-25 Report. A key finding was that the incremental cost per pupil was calculated to be $15,572. This figure appeared reasonable compared to the Department of Elementary and Secondary Education's SY24 in-district expenditures per pupil of $26,623. The subcommittee also noted that the most recently available classroom enrollment counts (October 2025, of 6,972) and generally flat enrollment projections out to 2029 suggested there was additional capacity in the PSB system to absorb 250-500 students. This addition would still be well under the 2014 enrollment peak of about 7,950, and in the interim, 3 PSB schools (Ridley, Driscoll, and soon, Pierce) have expanded. At the indicated rate of .15 to .2 school age children (SAC) per dwelling unit, this would suggest that over several thousand additional dwelling units could be added without adding to the Schools' footprint.

Subsequently, the Citizen's Advisory Group employed this same RKG model (along with their own adjustments to some factors) to evaluate the specific proposals that were being offered by City Realty, as well as the likely impact of variations on the proposal that reduced the height or FAR. The subcommittee also notes the RKG FIM is available for use by Town staff and EDAB members for other forthcoming projects.

5. Site Specific Opportunities:

The Subcommittee understands that it is primarily large developments like the Chestnut Hill West Commercial Area and the Waldo-Durgin site that will generate substantial tax

revenue to augment organic growth under Prop 2.5 and that these projects have long lead times.

Chestnut Hill Commercial Area (CHCA)

The proposed overlay zoning for the Chestnut Hill Commercial Area (CHCA) are expected to be presented to Town Meeting in the spring of 2026, but full completion of the project is optimistically estimated at seven years or longer with most of the incremental tax revenue coming in up to 18 months thereafter based on stabilized occupancy. The initial phase is a 5.3-acre redevelopment of Chestnut Hill Office Park by City Realty. The benefits will be phased, but the first building A (condo-hotel) is forecast to generate roughly 70% of the estimated $5.6 million of net new taxes the redevelopment will produce when fully stabilized.[68] It is worth noting that this new revenue is approximately the size of the Town's current $5.31M Override request for FY27-FY29. The CHCA area is much larger and will include sites owned by Growth Properties that could be developed over the long term.

Waldo-Durgin

While zoning to accommodate redevelopment of the Waldo-Durgin site has been approved for many years, the timetable for construction has been significantly delayed by effects of the pandemic and reportedly to increases in interest rates and construction costs, the latter being particularly challenging given that the proposed plan includes 100% underground parking. Given the substantial delay, it is also possible that components of the approved Zoning (shared office and street level commercial) may be less attractive today than in 2019. An optimistic estimate is that this hotel-apartment mixed use project could be completed in six years from commencement of construction with tax revenue coming in up to 18 months thereafter. CHR has not even begun filing for the hearings and permits – who can speak to them as to what the delay is really driven by?

Center Street Lot(s)

At the heart of Brookline's commercial center, this site is currently under study, and is considering use of a public/public partnership as a development model with a mixed- use program of public, commercial and residential uses, along with structured parking. A major concern is the need to address how parking will be maintained for the local business during what is likely to be an extended construction period of several years.

Other sites:

[68] Per independent study produced by RKG. This amount is 83% of the combined FY25 taxes produced by the last 9 major projects developed with the input of EDAB.

TJ Maxx and Stop & Shop

These sites on Harvard Street could potentially accommodate large mixed-use redevelopment projects. Both sites were exempted from the Harvard Street Main Street zoning district (approved by Town Meeting in 2023 as part of the MBTA Communities Act) with the anticipation that they could be redeveloped with higher density under a Special Permit process.

Further Opportunities:

Properties along the Brookline side of Commonwealth Avenue (currently largely automotive uses), Lower Boylston Street (Rt. 9) and the commercial centers along Beacon Street which are currently developed as single-story retail buildings, are another area of potential mixed-use development, but may be less likely in the near term. The Subcommittee recommends that the Town continue to aggressively pursue such projects, in addition to working on bringing commercial businesses of all sizes to Brookline. And, of course, Harvard Street, part of the town's response to the MBTA Communities Act should also be expected to provide economic development revenue, particularly if mixed-use development is [69]required[70].

6. Other Steps and Tools

In addition to the foregoing, there are areas where the Town can realize some revenue that will positively impact budgets in fiscal years 2027 to 2029 and they are discussed below. There also are actions where streamlining the Town's regulatory framework can directly facilitate economic activity. The Subcommittee recommends the following:

Personal Property:

This includes equipment and other tangible assets used in a trade or business that are acquired after submitting form 3ABC or not listed on the form and new growth from utility equipment and cable and wireless services, like cellphone towers. It should be noted that personal property needs to be held by a C Corp not an S Corp for the Town rather than the Commonwealth to receive the taxes. The Subcommittee applauds the Assessors office's increased focus on auditing personal property, using an outside consulting firm, Real

[69] Ideally this effort would be outlined in a long-term economic development strategic plan which would be updated every couple of years. Such a plan could include timelines based on viability, potential benefits, and complexity among other factors. This can be developed independently and then modified to reflect applicable matters contained in the Town's comprehensive plan. The Town cannot wait to do things sequentially.

[70] The Town's compliance with the MBTA-Communities Act included two components: (1) an overlay district for M-1 to permit higher multi-family development as of right subject to certain design requirements; and (2) amending the base zoning along Harvard St. to permit four story mixed use development as of right subject to including commercial space at grade and meeting detailed form-based design regulations. It remains to be seen whether the Harvard St. zoning enables projects to be financially feasible.

Estate Research Consultants, Inc., that has enabled the Town to identify unreported personal property resulting in an additional $200,000 in tax revenue in FY 2026 over FY 2025. This will have an immediate impact on revenues and continuing impact into the future. The approximately $15,000 that the Assessor will be seeking in the FY2027 budget will be money well spent.

Streamline Business Regulation – Land Use:

To make commercial development easier in Brookline, we recommend that the Town continue to work to reduce the difficulty and complexity of development permitting, for both large and small commercial businesses. The Town should consider creating clear rules for development, speeding up the permit and approval processes for large and small commercial developments, and examining the Zoning bylaw to identify changes that could help facilitate commercial and residential development without undermining the protections of zoning. The Town should also evaluate opportunities to streamline permitting and Certificate of Occupancy requirements and procedures for opening new businesses in existing commercial spaces. Adoption of a consolidated permit application has been suggested and is supported by the Committee.

Streamline Business Regulation – Licensing and General Business Regulation.

To make the operation of commercial businesses in Brookline easier and more profitable, the Town should strive to streamline business licensing. We recommend that the Select Board Office examine the mandatory paperwork and Select Board approvals required to obtain or renew business licenses and identify opportunities to consolidate or eliminate paperwork and unnecessary approvals without reducing consumer protections or community standards. Use of a standard form for multiple licenses or permits that could be used by all regulatory departments in Town government is an example of potential streamlining. The benefits of these actions could result in more easily attracting retail tenants to fill ground floor commercial space at existing large properties like Brookline Place[71] and encouraging new small to medium size commercial businesses to come to Brookline to occupy ground floor commercial spaces in new multi-story residential developments (both 40A and40B projects), filling currently vacant storefronts or the expansion of existing commercial businesses such as the Town is seeing at St. Mary's. Such activity increases the value of commercial projects which can shift some burden away from residential properties. Increased restaurant activity leads to more local option revenue.

[71] An example would be eliminating the requirement that vacant ground floor space at Brookline Place be limited to restaurant use.

Streamline Small and Medium Project Regulation.

The Department of Planning and Community Development is currently working to identify types of smaller projects (e.g., porch additions) that could be permitted with fewer public meetings, while at the same time not limiting the reasonable consideration of abutters' conditions and the overall public purpose of zoning: public health, safety, convenience, and welfare. For example, some types of projects could be allowed by-right (without a special permit), with or without design review by the Planning Board. One goal should be to expand the authority of Town staff to enforce land use regulations for small projects without public hearings. Other types of small projects could identify the Planning Board rather than the Zoning Board of Appeals as the special permit granting authority, which would mean that the applicant and the community would not need to go to both the Planning Board and then the Zoning Board of Appeals. We recommend this approach also be considered for some types of mid-size projects which comply with Zoning (no Special Permit required.) Specifically, The subcommittee recommends allowing the Planning Board to grant Special Permits at small and intermediate scale without referral to the Zoning Board of Appeal, as, for example in the class of cases under *Deadrick* (1-2 family only), where the Chapter 40A section 6 standard is to determine whether the change is "…not significantly more detrimental to the neighborhood". The Subcommittee thinks that these efforts will pay significant dividends over the medium term and may ease the Town's finances within a time frame that may positively impact voters.

Protect and Enhance Commercial Area Infrastructure.

Maintaining the viability of the Coolidge Corner[72], Brookline Village, and Washington Square commercial districts is critical to retain and grow commercial property taxes generated by existing buildings. Reducing tenant vacancy/turnover rates and increased rents support higher assessed valuations of commercial properties which are based on current net operating income. Key among this is maintaining adequate public parking (on-street and in Town owned lots) that accommodates peak demand for both daytime and nighttime uses. Improvements to and maintenance of street lighting, way-finding signage, pedestrian corridors, landscaping and public art are other ways that Town infrastructure can support local businesses. This would be an example of where a public/private partnership may be a good model to get things done to standards set by the Town. Any Town sponsored development or redevelopment must consider the impact on businesses if significant parking is permanently lost or temporarily lost for a meaningful length of

[72] Coolidge Corner is Brookline's business center and The Coolidge Theater, which sold 300,000 tickets in 2025, and hosted many events pro bono, is the engine that drives significant non-resident business to the area, especially during the evening hours.

time[73]. Current discussions around the Center Street development initiative do not appear to address the problem of maintaining adequate parking for merchants during the extended period of construction, especially as the site will require a "lay-down" area during the work. Too, any such development must be evaluated on a basis that includes increased operating costs to the Town.

PILOTS:

Tax-exempt entities can help promote economic activity, but they also control land and buildings that likely would be more valuable to a municipality if owned by private, tax paying entities. Though PILOTs are technically not economic development, they do represent an acknowledgement of lost tax revenue and usage of Town services. The Subcommittee encourages the Assessors Division to continue to encourage nonprofit entities to pay PILOTs to help cover the cost of the services they receive from the Town. We suggest looking at both positive incentives, such as access to the Brookline Purchasing Collaborative, and negative incentives such as restricting some non-mandatory Town services and benefits to nonprofits that participate in the PILOT program, to the extent such restrictions are permitted by law or regulations. The Town should also consider attaching additional benefits to the purchasing collaborative or establishing additional similar benefit programs.

Tax Exempt Entities – Non-Exempt Purpose Real Property.

Tax-exempt entities can help promote economic activity, but they also control land and buildings which likely would be more valuable to a municipality if owned by private, tax paying entities. Tax-exempt entities are not allowed to avoid taxes on activities and property does not meet the legal standard for tax-exemption. Therefore, though technically not economic development, the Subcommittee also urges the Assessor's Office to budget sufficient resources to enable it to aggressively audit nonprofit uses to make sure that uses such as pay parking or non-mission-based buildings or residential properties that do not meet all the requirements for receiving the exemption. Educational institutions' residential properties, such as the Boston University President's House,[74] are taxed as non-exempt property if they are not contiguous to the university. Parish houses or similar religious residences do not have to be contiguous to the church under Gen. Laws, c. 59, §5, clause Eleventh, but must have an exempt purpose[75].

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[73] A meaningful length of time would be more than six consecutive months.

[74] *See*, Trustees of Boston University vs. Board of Assessors of Brookline, 11 Mass. App. Ct. 325 (Dec. 12, 1980) (because the President's house was not "contiguous" to the university's "principal location," the residence was, therefore, not entitled to exemption from taxation under Gen. Laws. c. 59, § 5, Third (e), as amended by St. 1974, c. 811, § 2).

[75] Gen. Laws, c.59, §5, clause Eleventh. Notwithstanding the provisions of any other general or special law to the contrary, houses of religious worship owned by, or held in trust for the use of, any religious organization, and the pews and furniture

Carrots and Sticks: Other considerations and recommendations:

The responsibility for the difficult economic development environment in Brookline cannot be entirely (if at all) attributed to the Select Board. Town Meeting must be recognized as the entity that votes many of the rules and regulations that stifle business activity in Town. The subcommittee would also point out the unwritten 'you scratch my back and we'll scratch yours' practice of TMMs from one precinct supporting the goals of another in exchange for concurrent or future support on a matter of interest. While understandable on some level, this practice leads to an environment where Town Meeting often forsakes the needs of the whole for the wants of a few. This is a critical problem inherent in a precinct-based TM system. The subcommittee urges the Select Board and the Town Administrator to evaluate the development of policies that can be implemented to either enhance local benefits for support or reduce discretionary actions if impediments are created when potential town-wide benefits are adversely impacted.

Proactive engagement with large property owners:

Beyond the major commercial parcels mentioned above, there are several institutions that own large parcels of property. As has occurred more than once in the past decade, circumstances arise when institutions face severe enough challenges that they resort to asset liquidations or dissolve entirely to meet the needs of their mission. The Town has been reactive or taken adverse positions in some of these situations (but one positive example was the Newbury College site. Having regular meetings with some of these entities may allow the Town to help address an asset redeployment in a manner that would be best for the Town and the institution. This effort is one that requires senior leadership and should be the responsibility of either the Town Administrator or the afore recommended Select Board member leading economic development efforts. Other: There are many examples where the Town would have benefitted from being able to move quickly to purchase property and, once again, avoid being in a reactive or adverse position. Though the idea of an acquisition fund is not new and, at the end of the day may not be possible to launch, the committee strongly urges the Select Board to establish a study committee to

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and each parsonage so owned, or held in irrevocable trust, for the exclusive benefit of the religious organizations, and including the official residences occupied by district superintendents of the United Methodist Church and the Christian and Missionary Alliance and of the Church of the Nazarene, and by district executives of the Southern New England District of the Assemblies of God, Inc., Unitarian-Universalist Churches and the Baptist General Conference of New England, and the official residence occupied by the president of the New England Synod of the Lutheran Church in America, Inc., and the official residence occupied by a person who has been designated by the congregation of a Hebrew Synagogue or Temple as the rabbi thereof, but such exemption shall not, except as herein provided, extend to any portion of any such house of religious worship appropriated for purposes other than religious worship or instruction. The occasional or incidental use of such property by an organization exempt from taxation under the provisions of 26 USC Sec. 501(c)(3) of the Federal Internal Revenue Code shall not be deemed to be an appropriation for purposes other than religious worship or instruction.

review and creatively consider different options and structures that might be available and appropriate for the Town to take advantage of.

7. Brookline Scorecard:

The Town has a mixed record with respect to its economic development efforts. Appendix F: Development Scorecard provides a history of major projects and initiatives the Town has undertaken over the years. Appendix G: EDAB and Non-EDAB Commercial Tax Revenue Contributions shows the tax revenue from major EDAB and non-EDAB development projects.

Impediments and Challenges

It is important for taxpayers and residents to understand and appreciate the issues that do and will impact Brookline's ability to promote, and realize revenue from, economic development activities. Some of these issues result from trade-offs between different town policies or objectives, others reflect economic realities relating to property ownership in Town. These are listed in no particular order of importance.

(1) **The Town's requirement for Tax Certainty agreements to protect tax revenues if a site is developed by or taken over by a tax-exempt user.** Taxpayers in Brookline have been adversely impacted by the sale of properties from tax-paying entities to tax-exempt users. When that sort of transaction occurs revenue doesn't change, but the tax that had been paid gets reallocated among the remaining taxpayers in Town. In essence it is like a non-voted override for remaining taxpayers where the Town does not get any new revenue. To protect taxpayers from this, the Town has required the execution of long-term (99-year) tax-certainty agreements with developers of major commercial assets. Examples would include 2 Brookline Place (owned by a tax-exempt entity) and The Newbury on Fisher Hill (owned by a tax-paying entity). These agreements could be a disincentive for certain developers/property users because if someone wished to sell a property in the future, their existence could reduce the potential market (potentially eliminating some tax-exempt buyers).

(2) **Minimum percentage commercial space and ground floor commercial requirements along streets that can support commercial space at grade level**. Ground floor commercial space is most often viewed as a positive addition for developers because retail rents are high. On the other hand, some may have the view that it limits the ability to offer building amenities that appeal to occupants but may be considered an addition to commercial vitality. The requirement, therefore, can be an impediment for some property owners/developers.

(3) **Lot sizes and property ownership**. The construction of economically viable properties requires land of sufficient size to build enough mass to meet both zoning requirements and sufficient rentable space. With few large properties available, developers and existing property owners may need to assemble several individual and adjacent lots to create that scale. That requirement creates economic challenges and business risk. This is compounded by the fractured nature of property ownership in Brookline, where assets have been held for generations. This creates the challenge of tax consequences in the event of a sale, including recapture taxes which can be extremely onerous. These factors combine to slow the pace of possible redevelopment in our commercial areas.

(3) **Organizational Resources**. In particular, the building department's capacity and resources to do inspections to move a project along.

(4) **Parking regulations and availability**. The elimination of parking spaces around commercial areas does have an impact on businesses, particularly those businesses that rely on Brookline being a destination for visitors. These businesses, especially restaurants, bring in additional revenue to the Town in the form of local options taxes. The proposed elimination of 65 out of the 200 on-street parking spaces along Washington St. from Beacon St. to Brookline Village is an example. The potential loss of 90 on-street parking spaces along Beacon St. as part of the MBTA C-line platform expansion is another. The Town must appreciate the risk of creating an environment where Coolidge Corner, Brookline Village, and Washington Square become undesirable for customers, whether residents or non-residents, who lack access to public transportation and can only travel by car.

Other Analysis and Recommendations

Other Post-Employment Benefits ("OPEBs")

Preamble

Brookline is one of 14 Massachusetts municipalities that has a credit rating of Aaa from Moody's. An Aaa rating is the highest rating an issuing entity can get from Moody's and will result in the lowest cost of debt capital an issuer can obtain on a given security.

Credit ratings from Moody's and other independent ratings agencies are relied upon by institutional and individual investors when evaluating fixed-income (debt) securities issued by national, state and local government entities, corporations, sovereign nations and many other project or structured fixed-income securities. Many institutional investors, pooled investment vehicles, government entities and others have restrictions on what securities they may invest in or even do business with.

An Aaa rating is extremely difficult to obtain and, once achieved, is important to maintain. Maintenance of an Aaa rating goes beyond enjoying the lowest cost of capital. It is an indication to the market that an issuer actively works to maintain a strong financial position and is not engaging in practices or policies that would signal a relaxation of fiscal discipline.

Indeed, the impact of a downgrade will extend beyond a higher cost of borrowing. It might mean certain investors could no longer own the securities of an issuer they previously bought. It could signal to banks, suppliers and other creditors that credit terms and conditions need to be re-examined and adjusted in a manner that could provide less financial and operational flexibility for a borrower or customer. It could remove any 'benefit of the doubt' enjoyed by an operating entity.

This preamble is emphasized by the committee to underscore that what follows is a conversation about possibilities and suggestions about a process to proactively explore them. It is not a recommendation to immediately, or ever, take any specific action that would alter any existing financial policy. Nor would we recommend the adoption or implementation of any change to existing policy without first discussing with Moody's and financial advisors and receiving an indication that any policy modification would not impact our Aaa rating.

Overview

Each time Brookline goes to the market to issue debt it obtains a rating from Moody's. Moody's rigorous analysis, incorporating both objective and subjective factors, focuses on

defined categories of financial health, most, but not all, of which a borrower has significant control over. The categories in total comprise what is broadly known as 'the scorecard'. The individual components that comprise a category are evaluated relative to defined benchmarks. Each category is assigned a weight, as is each component in the category. Moody's also may slightly adjust the score for an individual component up or down depending on certain factors not embedded in the benchmark calculation (these adjustments, or notches, are the more subjective factors alluded to above).

There is a total of 10 components in the four categories that make up the scorecard. A borrower does not have to score Aaa in every category to obtain an Aaa rating as some categories carry more weight and trends over time within a category are also evaluated.

In its report, the Brookline Fiscal Advisory Committee ("BFAC") noted that based purely on the objective components of the scorecard at that time, Brookline likely did not deserve its Aaa rating.

The current summary version of the Moody's scorecard is attached as Appendix E: Moody's Scorecard for Brookline Moody's Rating Criteria. Appendix F: Moody's Rating Criteria is the entire methodology document. The grades we have from the Moody's criteria are:

1. Economy (30%)
2. Resident Income (10%): Aaa
    a. Full value per capita (10%): Aaa
    b. Economic Growth (10%): Aaa (Trending down)
3. Financial Performance (30%)
    a. Available Fund Balance Ratio (20%): AA (Trending up)
    b. Liquidity Ratio (10%): Aaa (Trending down)
4. Institutional Framework (10%): Ba
5. Leverage (30%)
    a. Long-term Liabilities Ratio (20%): A (Trending up)
    b. Fixed Costs Ratio (10%): AA (stable)

The Committee does not know the actual 'score' from Moody's beyond knowing the Town's Aaa was reaffirmed. The reaffirmation indicates the Town achieved an adequate score on the 'scorecard' and, also, that the Town's 'scorecard' was satisfactory when compared against other Aaa communities in Massachusetts. The Committee would emphasize that

when viewed factor by factor, there may be, and likely are, components where the Town scores well below the peer group.

Pensions and OPEBs

Pension and OPEB liabilities, and the unfunded obligations associated with them are two critical factors when Moody's evaluates the Leverage Ratio of a community. Brookline's current financial policies include reaching full funding of our unfunded pension liability in 2030, 10 years earlier than the dated mandated by the State.

There is no similar State mandate to fully fund OPEBs by a date certain. However, assuming the Town fully funds its unfunded pension liability in 2030, the Town's policy, recently reaffirmed by the Select Board, is to take the funds that had been used to fund pensions and immediately direct all of that money to eliminate the unfunded OPEBs liability.

In 2030, the amount of money going to fund the pension liability is forecasted to be approximately $40 million.

Observations

Pension and OPEB information used in the most recent Moody's rating was gleaned from the Town's 2024 actuarial report, which contains data up through the end of 2023. The Town's next actuarial report will be conducted this year and will be based on data and market performance through 2025.

The Committee would note:

1. The Town's showed significant progress in managing its Long-Term liability ratio, despite adding considerable debt to fund construction of school and town facilities in recent years. The factor score went from being scored Baa to A over the 2021-2023 period and, at the end of 2023, was approaching the level of Aa.
2. The exceptional market returns of 2024 and 2025 are not reflected in the data, nor are the additional two years of the Town's aggressive funding of its OPEB obligations.
3. The data does not include additional debt approved but not issued since 2023.
4. Moody's does treat debt issued via an exclusion vote somewhat differently than debt issued without a vote from taxpayers.
5. OPEB costs have been increasing at a rate likely beyond that assumed in the last actuarial report.

Though the Select Board recently reaffirmed the OPEB policy, the Committee notes that 2030 will present a sea change if, in fact, the Town reaches the full funding of its pension

obligations. This would be especially true if full funding gets Brookline to an AA factor with the long-term liabilities' ratio.

The current trajectory is for the Town to remain dependent on periodic, significant, overrides to fund operations, priorities and initiatives. Considering the use of freed up cash for a variety of purposes (as opposed to just OPEB's, while, likely and simultaneously, further burdening taxpayers) is a trade-off the SB could appoint a study committee to evaluate over the next several years.

VI. Minority Report: Community Impact Analysis & Capacity to Pay

The following report was authored by Mariah Nobrega, School Committee Member and Finance Subcommittee Chair. No additional members of the Committee have reviewed these findings or agreed to the content in this minority report.

The information in the 'Capacity to Pay' report presents a partial perspective on the factors to consider. Some additional context:

1. Even with the tax increases over the last twelve years, Brookline's residential property tax bills for FY26 remain low to average when compared to peers in absolute terms (for 1-2 million dollar properties, representing 88% of the average tax levy of our peers). So, the recent tax increases have simply moved Brookline from a relatively low-tax municipality to a low-to-medium tax municipality.
2. The corresponding value of residential and commercial properties has increased significantly, with an associated real wealth increase of property owners. For example, the 93% rise in average annual single family residence property tax has been accompanied by a greater than 93% rise in the average value of those properties over that period, as reflected in the tax rate per $1,000 of value for FY26 ($10.24) being lower than the tax rate of FY16 ($10.42). This is validated by third-party data reflecting average home sale increase of 98.06% from 2015 Q3 - 2025 Q3. For the median single-family-home, assessed at $1,298,000 in 2016 and $2,041,426 in 2026, the tax increase from $11,342 to $19,702 is ~1% of the wealth increase accrued by the owner: **every incremental dollar of annual property tax bill corresponds with a roughly $100 more of home value**. While this wealth does not necessarily correspond to income, it is a benefit captured exclusively by property owners.
3. Property taxes (current or future) play only a small role in the overall housing cost burden.
    - **New Owners:** A family buying a $1,500,000 home in Brookline in 2026 might expect to put $300,000 (20%) down with a mortgage of around $84,000/year (assuming a 30-year fixed-rate mortgage at 5.75% APR). Homeowners' insurance might cost roughly $3,000/year and maintenance might average roughly $30,000/year (2% of property value–the middle of the "rule of thumb" range). Property taxes at Brookline's FY26 residential rate (assuming residential exemption) would add another ~$11,700, for a total annual home payment approaching $130,000, of which property taxes are <10%.

- **For longstanding owners**: Property tax rates, at $10.24 per 1000 in FY26, are ~1% of value. Therefore, estimated annual home maintenance (~2% of value) is twice as impactful in total annual housing cost. Moreover, unless the owner has taken on a additional mortgage or other debt secured against the property after purchasing it, all of that property value increase has been unencumbered owner equity.
- **There are programs to support seniors:** Owners aged 65+ who have owned and occupied their properties for at least five years (and been Massachusetts residents for at least ten years), and who have annual gross incomes of $109,000 or less may also defer payment of any portion (up to 100%, not including the CPA Surcharge) of their annual property tax bills for as long as they wish–until the owner's death or when the property is sold or transferred. Such deferral is effectively a loan, on which interest is charged at a market-competitive or better rate (currently 4.58%/year). Qualifying owners can defer taxes in this manner totaling up to 50% of the property's value. Taxpayers using this deferral program also receive 50% off their FY2026 water and sewer bills.

These points are not intended to trivialize the decision to increase taxes or the impact of increases on taxpayers, especially seniors or other individuals with fixed or low incomes. However, they do provide additional information and context of which the Select Board and community should be aware. Yes, taxes are a cost, but they are also the primary mechanism to fund the municipal services Brookline residents enjoy (libraries, schools, parks and recreation, public works, public safety, etc). Those same services fuel property values, which will be negatively impacted should the quality of services degrade.

VII. Appendix

Appendix: Glossary of Terms

Sources: *Town of Brookline Annual Budget Book FY27, Brookline Fiscal Advisory Committee Final Report 2020, Municipal Finance Glossary*

"Above the Line": the term used for shared non-departmental fixed costs, particularly in the context of the Town/School Split, which are subtracted from the Town's total revenues, before the balance of revenues is split between the Town and School budgets.

Appropriation: an authorization granted by a town meeting, city council or other legislative body to expend money and incur obligations for specific public purposes. An appropriation is usually limited in amount and as to the time period within which it may be expended.

Balanced budget: A budget in which estimated expenditures equal actual and estimated revenues.

Bond: A means to raise money through the issuance of debt.

"Below the Line": the term used for costs, particularly in the context of the Town/School Split, which are charged against the Town or School's budget after revenues are split between the Town and School budgets.

Capital Improvement Program (CIP): An appropriation or spending plan that uses borrowing or direct outlay for capital or fixed asset improvements. The Town's CIP is a six-year plan, with projects in the first year of the plan being voted by Town Meeting.

Chart of accounts: A listing of the name of the accounts that an organization has identified and made available for recording transactions in its general ledger. The chart is usually sorted in order by account number, to ease the task of locating specific accounts. The accounts are usually numeric but can also be alphabetic or alphanumeric. The chart of accounts organizes financial information so that financial reports are organized and easier to read. The use of a descriptive chart of accounts (a chart that assigns a unique number to each type of transaction) will provide a system of recording revenues and expenditures that fits the organizational structure of the municipality and school system.

Community Preservation Fund (CPA): a special revenue fund established pursuant to MGL c. 44B to receive all monies collected to support a CPA program, including but not limited to, tax surcharge receipts, proceeds from borrowings, funds received from the state, and proceeds from the sale of certain real estate. Brookline's CPA program details

can be found here: https://www.brooklinema.gov/3541/Community-Preservation-Act-Funding.

Debt exclusion: An action taken by a community through a referendum to vote to raise the funds necessary to pay debt service (principal and interest) costs for a particular (capital) project from the property tax levy. These taxes are not subject to Proposition 2½, hence the term 'exclusion'. The debt is 'temporary' and the taxes associated with the debt service vary is the payments required to retire the debt service vary. Municipalities may issue debt with a term as long as 30 years but must amortize the debt using either and 'equal pay' or 'equal principal' mechanism.

Debt rating: Opinions of relative credit risk of fixed-income obligations addressing the possibility that a financial obligation will not be honored as promised. Such ratings reflect both the likelihood of default and any financial loss suffered in the event of default.

Debt service: The repayment cost, usually stated in annual terms and based on an amortization schedule, of the principal and interest on any particular bond issue.

Deficit: The excess of expenditures over revenues.

Enterprise Fund: authorized by MGL c. 44 § 53F½, an enterprise fund is a separate accounting and financial reporting mechanism for municipal services for which a fee is charged in exchange for goods or services. It allows a community to demonstrate to the public the portion of a service's total costs recovered through user charges and the portion subsidized by the tax levy, if any. With an enterprise fund, all costs of service delivery--direct, indirect, and capital --are identified. This allows the community to recover total service costs through user fees if it chooses. Enterprise accounting also enables communities to reserve the "surplus," or retained earnings, generated by the enterprise operation rather than closing this out to the general fund at year-end. Services that may be treated as enterprises include, but are not limited to, water, sewer, hospital, and airport services

Equal Pay Debt Service: Similar to a home mortgage, equal pay means a constant dollar amount needed to pay interest and retire principal by the maturity date of the bond. While the payment is constant, the amount allocated to principal and interest changes as the principal is gradually retired.

Equal Principal Debt Service: Instead of a constant level of debt service, this structure retires an equal amount of outstanding principal every year. Compared to equal pay, this will mean higher initial costs but also a more rapid reduction of principal and lower overall interest costs.

Expenditure: An outlay of money made by a municipality to provide the programs and services within its approved budget.

Fiscal year: Since 1974, Massachusetts municipalities have operated on a cycle that begins July 1 and ends June 30.

Fixed costs: Costs that are legally or contractually mandated, such as retirement benefits (pensions and health care), insurance, and principal and interest on loans.

Free Cash (or, Budgetary Fund Balance): Remaining, unrestricted funds from operations of the previous fiscal year including unexpended free cash from the previous year, actual receipts in excess of revenue estimates shown on the tax recapitulation sheet, and unspent amounts in budget line items. Unpaid property taxes and certain deficits reduce the amount that can be certified as Free Cash. The calculation of Free Cash is based on the balance sheet as of June 30, which is submitted by the community's comptroller to the State. Free Cash is not available for appropriation until certified by the Commonwealth's Director of Accounts. The State Department of Revenue recommends that municipalities set a target balance for free cash certification at 5-7% of prior-year revenue.

Free Cash Waterfall: Brookline maintains a very rigorous financial policy for Free Cash, treating it as one-time funds limited to non-recurring, non-operational Town expenses. Free cash is allocated via a policy commonly referred to as the free cash waterfall as follows:

1. Appropriated Budget Reserve — An amount equivalent to 0.25% of the prior year's net revenue shall be appropriated as part of the Town's 1% Appropriated Budget Reserve Fund, as allowed for under MGL Chapter 40, Section 6 and as described in the Town's Reserve Policies.

2. Unreserved Fund Balance / Stabilization Fund — Free Cash shall be used to maintain an Unreserved Fund Balance plus Stabilization Fund in an amount equivalent to no less than 20% of revenue, as defined in the Town's Audited Financial Statements, with a goal of a accruing a balance that falls within the median of Massachusetts Moody's Investor Service Aaa rated communities. If the Stabilization Fund were drawn down in the immediate prior fiscal year, then an allocation shall be made to the Fund in an amount at least equivalent to the draw down of the immediate prior fiscal year.

3. Liability / Catastrophe Fund — To the extent necessary, Free Cash shall be used to reach the funding target of the Town's Liability / Catastrophe Fund, as described in the Town's Reserve Policies.

4. Capital Improvement Program (CIP) — Remaining Free Cash shall be dedicated to the CIP so that total CIP funding as a percent of the prior year's net revenue is not less than 8%, to the extent made possible by available levels of Free Cash.
5. Affordable Housing Trust Fund (AHTF) — In order to support the Town's efforts toward creating and maintaining affordable housing, 15% of remaining Free Cash shall be appropriated into the AHTF if the unreserved fund balance in the AHTF, as calculated in the Town's financial system, is less than $5 million.
6. Special Use — Remaining Free Cash may be used to augment the trust funds related to fringe benefits, unfunded liabilities related to employee benefits, including pensions and Other Post-Employment Benefits (OPEBs), and other one-time uses, including additional funding for the CIP and AHTF.

Fund balance: The difference between assets and liabilities reported in a governmental fund.

Governmental Accounting Standards Board (GASB): the ultimate authoritative accounting and financial reporting standard-setting body for state and local governments.

General Fund: The fund used to account for most financial resources and activities governed by the normal Town Meeting appropriation process.

Levy: The amount a community raises through the property tax.

Levy Ceiling: One of two types of levy restrictions imposed by Proposition 2½. It states that, in any year, the real and personal property taxes imposed may not exceed 2½ percent of the total full and fair cash value of all taxable property.

Levy Limit: One of two types of levy restrictions imposed by Proposition 2½. It states that the real and personal property taxes imposed by a city or town may only grow each year by 2½ percent of the prior year's levy limit, plus new growth and any overrides or exclusions.

Liability/Catastrophe Fund: established by State law to protect municipalities against the negative impact of a major facility disaster and/or substantial litigation. Uses of the fund are defined by the authorizing legislation. The target fund balance is 1% of the prior year's net revenue and is funded from available Free Cash and other one-time revenues.

Local Receipts: Locally generated revenues other than real and personal property taxes. Examples include motor vehicle excise, investment income, hotel/motel tax, fees, rentals, and charges.

Maintenance budget: A no-growth budget that continues appropriations for programs and services at their current year levels. The actual appropriation to maintain programs and services may still increase due to inflation or other factors.

MGL: Massachusetts General Laws

Motor Vehicle Excise: a locally imposed annual tax assessed to owners of motor vehicles registered to addresses within the community (MGL c. 60A). The excise tax rate is set by statute at $25.00 per $1,000 of vehicle value.

Net Revenue: Also referred to as Net Operating Revenue. Gross revenues, less net debt exclusion funds, enterprise (self-supporting) operations funds, free cash, grants, transfers from other non-recurring non-general funds, and non-appropriated costs.

New growth: The additional tax revenue generated by new construction, renovations, and other increases in the property tax base during a calendar year.

Operating budget: A plan of proposed expenditures for personnel, supplies, services, and other expenses for the fiscal year.

Operating deficit: When the unassigned fund balance in the General Fund at the end of the fiscal year is less than zero.

Other post-employment benefits (OPEBs): Retirement benefits other than conventional pension benefits, including medical, dental, life insurance, and long-term care benefits.

Overlay Reserve: an account established annually to fund anticipated property tax abatements, exemptions, and uncollected taxes in that year under the direction of the Board of Assessors.

Override: A vote by a community at an election to permanently increase the levy limit beyond the amount permitted by Proposition 2 ½.

Payments in Lieu of Taxes (PILOT): An agreement between a municipality and an entity not subject to taxation, such as a charitable or education organization, in which the payer agrees to make a voluntary payment to the municipality.

Proposition 2½. A tax limitation measure adopted by state-wide referendum in 1980 (MGL Ch. 59, section 21C) which limits the ability of the Town to increase its budget from year to year. The principal provision outlines the Levy Ceiling and Levy Limit of a community. To override these tax limitations requires a Town-wide referendum. A series of videos explaining how Proposition 2½ works are found at the State https://www.mass.gov/info-details/proposition-2-12-and-tax-rate-process.

Reserve Fund (Annual Budget Reserve): An amount set aside annually within the Town budget (by law, not to exceed 5 percent of the tax levy for the preceding year) to provide a funding source for extraordinary or unforeseen expenditures.

Revenue: Total Revenues for the General Fund as reported on the "Governmental Funds – Statement of Revenues, Expenditures and Changes in Fund Balances."

Revolving Fund: Allows a community to raise revenues from a specific service and use those revenues without appropriation to support the service.

School Building Assistance Program (MSBA): Established in 1948 and frequently revised by statutory amendments, this state program reimburses municipalities varying percentages of their school construction costs depending on the wealth of the community and the category of reimbursement.

Shared Non-departmental Fixed Costs: costs that are shared between the Town and Schools. These costs are subtracted from total revenues prior to the remaining revenue being split between the Town and School using the Town/School Split.

Stabilization Fund: A fund designed to accumulate amounts for future spending purposes, although it may be appropriated for any lawful purpose. A two-thirds vote of Town Meeting is required to appropriate money from the Stabilization Fund.

Structural Deficit: A budget deficit that results from a fundamental imbalance in government receipts and expenditures, as opposed to one based on one-time or short term factors.

Town/School Partnership (TSP): the agreement signed by the School Superintendent and the Town Administrator and approved by both the Select Board and the School Committee in 1995. The agreement established the objective of committing to planned levels of operating revenues for education annually. The original commitment was for the Town and Schools to each be allocated 50% of available revenue that is not dedicated to shared fixed costs. Several adjustments have been made to the split over the years, including shifting additional revenue to the School side of the formula in order to account for drastic increases in enrollment over time.

Town/School Split: this is the formula that takes non-departmental fixed costs and deducts them from the total available revenue amount for that fiscal year, which is then divided based on the final town-school allocation for the current fiscal year budget. Any necessary adjustments are made to this allocated revenue to assign savings, revenues, expenses, and assessments for shared costs to either side of the split. The final numbers

resulting after adjustments are made to form the next year revenue split percentage. In FY26 this split percentage was 40.9% for the Town and 59.1% for the Schools.

Unfunded OPEB liability: The difference between the value assigned to the benefits (other than retirement) already earned by a municipality's employees and the assets the local government will have on hand to meet these obligations.

Unfunded (or Outstanding) pension liability: The difference between the value assigned to the retirement benefits already earned by a municipality's employees and the assets the local retirement system will have on hand to meet these obligations. The dollar value of the unfunded pension liability is re-determined every three years and is driven by assumptions about interest rates at which a retirement system's assets will grow and the rate of future cost of-living increases to pensioners.

Unreserved Fund Balance: the amount by which cash, accounts receivable, and other assets exceed liabilities and restricted reserves. The Town maintains the fund to ensure the balance remains within the median of Aaa-rated communities in Massachusetts. Use of the funds is restricted to times of extreme financial stress and must be replenished the following year. Disbursements may not exceed $2.5 million over any three-year period.

Warrant: A document issued by the Select Board to call a town meeting. A Warrant Article is a specific agenda of items for town meeting.

Appendix: PSB Financial Summaries

The following is a summary of the PSB FY27-29 budget development process, staffing, forecasts, and override/failed-override scenarios. This document was authored by members of PSB administration and the School Committee.

A. FY27-29 Budget Request

FY27 Budget Overview and Development

The proposed FY27 PSB budget reflects the collective effort of the district leadership team and school-based leaders to analyze how PSB is organized to support programs, and to optimize delivery of service for the benefit of PSB students, recognizing fiscal constraints. The initial proposed budget request, released on February 5, 2026, reflects a process of identifying more efficient ways to operate, restoration of some (but not all) critical functions, and resources to sustain necessary improvement of professional practices and curricular development (most budget neutral), as well as other adjustments. No funding is requested for new programs: funding requested is to maintain class sizes, elective programs that have existed in the schools for over a decade or more, and essential specialized programs and supports for identified student needs. Please note that the budget represents a strong beginning to what will be a continued process of review of efficiencies and reorganization in the year to come. As proof of this, while the initial budget was released on February 5, 2026, further efficiencies were taken on February 26. **Table 1** shows key budget process outcomes.

Table 1: Key adjustments to PSB made in FY27 budget

Efficiencies	Restorations	Improvements	Other adjustments
- OAF Restructuring - Early Retirement Incentive - K-5 Section Enrollment Adjustment - Guidance Enrollment Based Adjustment - Special Education Caseload Adjustment - Administrative Support Adjustment - Computer Leases Right-Sizing - General Supplies Right-Sizing	- Director of Data and Information Systems - OTL copier leases (unintentionally omitted in FY26) - Professional/ Curriculum Development (subsequently reduced to FY25 levels on Feb. 26) - Computer Leases (deferred for FY26) - Transportation (structural deficit)	- K-8 Math Curriculum Renewal ($265,000) - Google Workspace ($54,000) - Science Curriculum Review (Cost Neutral) - Vision of a Learner (Cost Neutral) - Seal of Biliteracy (Cost Neutral) - Career & Technical Education - Engineering (Cost Neutral)	- Anticipated loss of Title II, III, and IV ($277,126) in federal grants (some funds restored on Feb. 26) - Furniture, Fixtures and Equipment ($75K historically carried in Capital Improvements, moved to operating budget) - Tuition, Transportation, Health Services

- Print Materials Right-Sizing - Advisor Stipend Right-Sizing - Athletic Coach Right-Sizing - In-Town Transportation	- Stipends (structural deficit)	- Chemical Hygiene Safety Plan Development (Cost Neutral) - BHS Curriculum Articulation Work (Cost Neutral) - World Language Curriculum Work (Cost Neutral) - ELA Curriculum Development (Cost Neutral) - SS Curriculum Training (Cost Neutral)	contracted services, etc.

The budget maintains support for key improvements to our teaching and curriculum, including the ongoing multi-year implementation of a new literacy curriculum for grades K-5 (and soon, 6-8), development of a key tool to identify the skills and competencies of a PSB student, the "K-12 Vision of a Learner", and renews the license for our successful K-8 math curriculum. It supports the launch of a K-12 science and technology curriculum review, additional Career and Technical Education courses, and participation in the official state "Seal of Biliteracy" program. These proposals demonstrate PSB's prioritization of resources for student learning.

It is important to note that adjustments have been made within the initial budget request to align with district class size guidelines and/or state legal requirements. Further reductions in any of these categories where adjustments have already been made will cause class sizes over the guidelines (22 students in K-2 and 25 students in 3-8), or will bring caseloads significantly above guidance and/or legal requirements.

FY27-29 Budget Request

The revised FY27 budget of $149,801,901 that was presented on February 26 represents $5.8M in reductions from the initial FY27 forecast of $155.6M (presented to the Select Board in December 2025). Similarly, the three-year gap between the PSB budget and the Town allocation has been reduced, from $27.5M to $18.5M, as shown in **Table 2**.

Table 2: FY27-29 PSB Budget Forecast, Town Allocation, and Funding Gap

	Actual			Budget	Projected			
	FY23	FY24	FY25	FY26*	FY27	FY28	FY29	FY27-29
PSB Initial Forecast					*$155.6M*	*$161.4M*	*$168.8M*	
PSB Budget 02.26.26	**$123.7M**	**$131.0M**	**$136.8M**	**$142.8M**	**$149.8M**	**$155.3M**	**$162.6M**	
Increase ($) from prior year budget		$7.3M	$5.8M	$5.9M	$7.0M	$5.5M	$7.3M	
Increase (%) from prior year budget		5.90%	4.44%	4.34%	4.91%	3.68%	4.67%	
Town Initial Allocation					*$142.0M*	*$142.0M*	*$141.3M*	
Town Allocation to PSB 02.11.26	**$123.7M**	**$131.0M**	**$136.8M**	**$142.8M**	**$144.5M**	**$144.5M**	**$144.0M**	
Increase ($) from prior year allocation		$7.3M	$5.8M	$5.9M	$1.7M	$.0M	-$.5M	
Increase (%) from prior year allocation		5.90%	4.44%	4.34%	1.22%	0.00%	-0.35%	
Initial Funding Gap					$13.6M	$5.7M	$8.1M	$27.5M
Funding Gap					$5.3M	$5.5M	$7.8M	$18.5M

The revised budget of $149.8M represents a 4.91% increase over the FY26 Town appropriation for the PSB. In FY26, an additional $1,943,064 (1.36%) of recurring costs was funded using one-time revenue. These expenses are again included in the FY27 proposed budget and represent 27.7% ($1,943,064 of the $7,009,310) of the requested budgetary increase of 4.91%. The remaining $5,066,246 ($7,009,310, less $1,943,064) constitutes a 3.55% increase in overall cost. If PSB did not have a rolling structural deficit of $1,943,064 and the Town revenue allocation was consistent with prior year averages shown in **Table 2** or even closer to the overall projected revenue increases presented in the Town financial plan for FY27 (4.9%), FY28 (2.6%) and FY29 (3.1%), **the funding gap would be minimal, requiring a minimal override.** Fully funding the proposed FY27 budget as requested will resolve the structural gap and stabilize funding impacts going forward. While FY29 is a higher increase at 4.67%, this is partially due to the allocation reduction from FY28 of -$0.5M.

Regarding the revenue allocation: the other budgetary challenge for FY27 affects not just the Schools but all Town Departments. Due to a confluence of factors, including high insurance premium increases for Town and School employees, the Town Administration has indicated the funding allocation for both Town and Schools will be much less than in prior years. As we know, this is a problem being faced by municipalities across the Commonwealth, and is well-documented: this is not unique to Brookline or to PSB.

PSB has received an average increased allocation of over $6M per year from the town for each of the last several years, shown in **Table 2**. While the FY27 town allocation for the school department has yet to be finalized, pending finalization of GIC increases and state allocations, it currently is averaging $0.4M/year over the next three years (negative in FY29). It bears repeating: if the allocation were consistent with prior year averages or even closer to the overall revenue increases, **the funding gap would be minimal.** By comparison, in 2023, the revenue allocations for FY24-26 increased by millions of dollars each year.

Revenue Generation

Revenue generation is already considered as an offset to this request: PSB is scrutinizing additional sources of revenue that can be identified - for example, we are proposing to open certain special education programs that are under-enrolled to tuition-paying students residing outside of Brookline, thus ensuring recurring revenues that offset Town allocations.

PSB emphasis is on these areas of revenue to date:

- Non-resident special education tuition ($200,000 projected for revenue in FY28)
- BEEP Tuition (increase of $284,125 in FY27)
- Facility rental costs (to be analyzed in FY27)
- Material Fees (increase of $20,128 in FY27)

This is part of a multi-year focus on reviewing fees and aligning them with expenses - for example, the BEEP fee increase noted above is the second of a three-year, 8% per year tuition increase.

FY27 Staffing and Multi-Year Staffing Trends

The staffing for the proposed FY27 budget represents 22.1 net fewer FTE than FY26 (20.7 net reduction in initial budget request with 2.4 added on February 26, 2026, as shown in **Table 3**. The reductions were carefully identified to reflect changing enrollment needs and spread broadly across all schools, all grade levels and district offices to avoid detriment to service. The personal impact of the reductions will be mitigated in many, but not all, cases by impending retirements and vacancies that will remain unfilled.

Table 3: Full-time equivalent (FTE) modifications to FY27 budget compared to FY26

District	Human Resources Specialist	-1.0	Optimization (OAF reorg)
	Finance Director	-1.0	Optimization (OAF reorg)
	Budget Analyst	-1.0	Optimization (OAF reorg)
	Sustainability Coordinator	-1.0	Reduction
	Comptroller	+1.0	Optimization (OAF reorg)
	Director of Data & Info. Systems	+1.0	Optimization (OAF reorg)
	Head Clerk	+0	Optimization (OAF reorg) (-1 OTL, +1 OAF)
	Subtotal	**-2.0**	
Pre-K-8	K-5 Classroom Staff	-8.0	Enrollment adjustment (-13, +5)
	Guidance Staff	-0.8	Enrollment adjustment (-1, +0.2)
	Educational Technologists	-4.0	Reduction in service
	Special Education Staff	-0.9	Enrollment adjustment
	Subtotal	**-13.7**	
BHS	Librarian	-1.0	Reduction in Service
	Special Education Staff	-2.0	Enrollment adjustment

	Secretary	-1.0	Optimization
	Administrator	-1.0	Reduction in service (added 2/26/26)
	Classroom Staff "+1"	-1.4	Reduction in service (added 2/26/26)
	Subtotal	**-6.4**	
TOTAL DISTRICT REDUCTIONS		**-22.1**	

Historical staffing trends from pre-COVID through the projected FY27 budget (**Table 4**) show that staffing has trended down with enrollment.

Table 4: Enrollment compared to FTE as percentage of pre-COVID enrollment/FTE

Year	Enrollment [1]	FTE [2]	Notes
19-20 (pre-COVID)	7,777 (100%)	1,378.4 (100%)	[1] DESE enrollment data data source: https://profiles.doe.mass.edu/profiles/student.aspx?orgcode=00460000&orgtypecode=5&fycode=2026 [2] DESE educator data source: https://profiles.doe.mass.edu/profiles/teacher.aspx?orgcode=00460000&orgtypecode=5&leftNavId=817& Does not include custodial and food services staff. [3] FY22-23 data in DESE is incorrect; a request for correction was submitted and never completed by DESE.
20-21	6,791 (87.3%)	1,348.2 (97.8%)	
21-22	6,928 (89.1%)	1,299.4 (94.3%)	
22-23 [3]	7,060 (90.8%)	1,270.77 (92.2%)	
23-24	7,195 (92.5%)	1,265.8 (90.9%)	
24-25	7,023 (90.3%)	1249.4 (90.6%)	
25-26	6,948 (89.3%)	1264.1 (91.7%)	
26-27 (projected)	6,923 (89.0%)	1242.0 (90.1%)	Enrollment from PSB FY27 projections less OOD FY26 projected FTE less net reduction of 22.1

District staffing trends by functional area are presented in **Table 5**. (Note: these numbers vary from the DESE numbers presented in **Table 4** due to multiple differences in methodology, nonetheless reflect an FY24-26 total staffing delta of -0.2, compared to DESE FY24-26 delta of -1.7.) **What this analysis by functional area reveals is a large increase in special education staff (+23.8) and BEEP staff (+13.4) and a commensurate decrease in administrative staff (-17.9) and general education staff (-19.5).** This reflects the district's move from half-day to full school-day BEEP in FY25, as well as increased needs in special education. The districts 22.1FTE reduction proposed for FY27 will continue this trend; 2.9 are special education, 2.0 are district admin, and 17.2 are general education K-12.

Table 5: PSB staffing trends by functional area.

Functional Area	FY24	FY25	FY26	Net Change FY24-26	*FY27*	FY26 vs. FY27
Special Education	365.2	374.8	389.0	**23.8**	*386.1*	-2.9
BEEP	40.7	56.7	54.1	**13.4**	*54.1*	0.0
General Education K-12	810.4	802.7	790.9	**-19.5**	*773.7*	-17.2
Total Building Staff	1,216.3	1,234.2	1,234.0	**17.7**	*1,213.9*	-20.1
District Admin	236.3	229.3	218.4	**-17.9**	*216.4*	-2.0
Total Staffing	1,452.6	1,463.5	1,452.4	**-0.2**	*1,430.3*	-22.1

Enrollment

The FY27 budget was developed based on a projected enrollment of 6,989 students, as shown in **Table 6**, assuming enrollment patterns similar to post-COVID trends. The total estimated decrease in enrollment for FY27 is 44 students. Enrollments are projected to decrease slightly at the Early Childhood (-3) and Elementary (-67) levels and increase at the Middle School (16) and High School (12) levels. PSB welcomed 496 non-resident students in FY26; 299 METCO students and 197 non-resident students of School and Town employees. The same number of non-resident students are projected to attend next year. The state provides grant money ($2,394,046) for METCO to pay for additional programming to support these students and their families. The District receives a modest annual tuition payment ($3,641/student in FY27) from non-resident students of School and Town employees. Total revenue anticipated from this source in FY27 is $690,000.

In 2019, the PSB retained the firm of Cropper-McKibben to provide a long-range demographic and enrollment forecast[76]. With the onset of COVID, the assumptions of this report were quickly invalidated. In 2023, the PSB hired Cropper-McKibben to update the previous demographic/enrollment report[77]. The forecast (see **Table 7**) showed a gradual reduction of students, to a low in 2026-27, followed by an increase over the next six years to approaching pre-pandemic levels. For 2024-2025, actual enrollment was 7,023 (see **Table 4**), meaning Cropper-McKibben was within 1% of actual. In 2025-2026, actual enrollment was 6,948 (see **Table 4**), again meaning that Cropper-McKibben was within 1% of actual. PSB staff and the School Committee have discussed retaining a demographer on a routine schedule (every few years) to update these forecasts which can inform long-term planning.

Table 6: FY27 Projected PSB Enrollment.

[76] https://www.psbma.org/fs/resource-manager/view/dd07d2e0-d914-4898-b25e-00eb975e567f

[77] https://www.psbma.org/fs/resource-manager/view/e33b9111-f183-4cb8-8bd2-10748ca98a3e

Public Schools of Brookline - Enrollment			
School Year Beginning	FY26 2025	FY27 2026	Change
Out of District	*66*	*66*	*0*
PreKindergarten	*253*	*250*	*-3*
Kindergarten	453	466	
Grade 1	491	462	
Grade 2	482	501	
Grade 3	543	479	
Grade 4	501	543	
Grade 5	547	497	
Elementary Total*	3017	2950	-67
Grade 6	528	537	
Grade 7	503	526	
Grade 8	517	501	
Middle School Total	1548	1564	16
Grade 9	499	520	
Grade 10	535	507	
Grade 11	584	535	
Grade 12	519	587	
SP-Beyond 12	10	10	
High School Total	2147	2159	12
District Total	7031	6989	-42
Percentage Change	-0.8%	-0.6%	

Table 7: Cropper-McKibben Forecast for FY25-34, prepared in 2023.

Actual Data						Projected									
	19-20	20-21	21-22	22-23	23-24	24-25	25-26	26-27	27-28	28-29	29-30	30-31	31-32	32-33	33-34
Pre-K	252	144	255	257	256	256	256	256	256	256	256	256	256	256	256
Total K-8	5,446	4,703	4,586	4,716	4,610	4,581	4,611	4,588	4,635	4,659	4,684	4,733	4,827	4,955	5,075
Total 9-12	2,064	2,017	2,063	2,066	2,155	2,143	2,062	2,073	1,995	2,018	2,110	2,129	2,162	2,133	2,113
Total K-12	7,510	6,720	6,649	6,782	6,765	6,724	6,673	6,661	6,630	6,677	6,794	6,862	6,989	7,088	7,188
Total Pre-K-12	7,762	6,864	6,904	7,039	7,021	6,980	6,929	6,917	6,886	6,933	7,050	7,118	7,245	7,344	7,444

FY27-29 Budget Summary/Conclusion

The work done to develop the FY27 budget and FY28-29 budget forecasts is significant. As noted earlier, the FY27 budget represents what we believe is a strong beginning to what will be a continued process of review of efficiencies and reorganization, while demonstrating PSB's prioritization of resources for student learning, and scrutinizing additional sources of revenue that can be identified, thus ensuring recurring revenues that offset Town funding.

Through these efforts, the PSB three-year funding gap has been reduced from $27.5M to $18.5M. If PSB did not have a rolling structural deficit ($1,943,064) and the Town revenue allocation was consistent with prior year averages shown in **Table 2** or simply closer to the overall projected revenue increases, the funding gap would be minimal.

We are mindful of the cost required to deliver PSB's necessary and enriching educational services that have produced high quality graduates and leaders throughout its history. The reduction in the request represents an extremely dedicated and time-intensive review and consensus by the new PSB senior leadership team and building-based administrators, to streamline staffing as much as possible while still providing resources and programming at levels to support all students for best outcomes. Based on our experience over the past few years and looking forward, we recognize that we are living in uncertain and challenging times. We depend on and deeply appreciate the goodwill of the community to sustain PSB efforts to best prepare our students for the world that awaits them. We seek your support to fully fund this budget request.

B. Non-override scenario

FY27 Cuts

On February 19, 2026, PSB staff presented the programmatic cuts that would be taken in FY27, should an operating override that fully funds the $5.3M gap for FY27 fail. These are summarized in **Table 8**. Note, these are not one-year cuts: they carry forward, and once these programmatic cuts are made, it is extremely challenging to bring back. For example, K-5 World Language was eliminated previously; with this cut, the entire K-8 World Language program would be eliminated.

Table 8: Additional FY27 Reductions should operating override fail

District	Furniture/fixtures/equipment budget	$75,000	Reduction in service
	OAF Data/Operations	-1.6	Reduction in service/restructuring
	OTL Administration	-1.0	Reduction in service/restructuring
	Subtotal	**-2.6**	**-4.6 including prior cuts**
Pre-K-8	Non-mandated summer reading program		Reduction in service
	Grade 1 Classroom Aides	-13.0	Reduction in service
	Conservatory	-7.0	Reduction in service
	World Language 6-8	-15.0	Reduction in service
	BEEP Paraprofessional	-1.0	Reduction in service
	Subtotal	**-36.0**	**-49.7 including prior cuts**
BHS	Classroom/guidance staff	-15.6	Reduction in service
	Assistant athletic director	-1.0	Reduction in service
	Special education paraprofessional	-1.0	Reduction in service
	Security paraprofessional	-1.0	Reduction in service
	Administrator	-1.0	Reduction in service
	Subtotal	**-19.6**	**-26 including prior cuts**
TOTAL DISTRICT REDUCTIONS		**-58.2**	**-80.3 including prior cuts**

The rationale for these choices was to keep cuts away from the classrooms and to general education academic supports to the greatest extent possible for as long as possible (this

becomes much more difficult after FY27, as will be described later). As described later in this document regarding the elimination of the "+1" program, reducing general education supports leads to an increased demand for more intensive and costly interventions.

Unfortunately, many PSB programs have already been cut since the pandemic (or even before the pandemic), e.g. math coaches, literacy coaches, Enrichment and Challenge Support, subs at the high school, library aides, the Office of Educational Equity, K-5 World Language. In addition to the standard enrollment/caseload adjustments that were already made this year (see Section V.A.1), vice principals and custodians were reduced last year, educational technology specialists were reduced this year, and so forth. This staffing reality, as played out in the past few years, was shown earlier in **Table 4** (staff have been reduced overall, generally in proportion with enrollment) and **Table 5** (general education and administrative staff have been disproportionately reduced). There are no minimally-impactful choices left, and so senior leadership made the choices shown in **Table 8**. After these cuts, the district is at 87.5% salary, 12.5% non-salary expenses; compared to the more typical 85-15 split, it highlights that there is very little non-salary left, meaning future cuts are personnel.

FY28-29 Cuts – Overview

Once FY27 cuts are taken, to bring the FY27 budget gap to $0, the calculation for the FY28 gap shrinks by $58,058, from $5,507,132 to $5,449,074 (**Table 9**), due to the embedded wage increases in the reduced FTE that do not carry forward.

Table 9: New FY28 Gap, once FY27 is reduced to Town allocation

	FY27	FY28	FY29	3-year gap
PSB budget 02.26.26	$144,533,297	$149,987,641	$156,982,278	
PSB Town Rev. Allocation 02.11.26	$144,533,297	$144,538,567	$144,033,053	
Increase ($) from prior year allocation	$1,740,706	$5,270	-$505,514	
Increase (%) from prior year allocation	1.22%	0.00%	-0.35%	
Funding Gap	$0	$5,449,074	$7,500,151	$12,949,225

A similar analysis can be done for FY29, once the FY28 budget gap is brought to $0, shown in **Table 10**. This is $136,172 less than the FY29 projected budget of $7,500,151 shown in **Table 9**, and $426,272 less than the FY29 projected budget shown in **Table 2**, again due to the embedded wage increases in the reduced FTE that do not carry forward.

Table 10: New FY29 Gap, once FY27 and FY28 are reduced to Town allocation

	FY27	FY28	FY29	Yr 3 gap
PSB budget 02.26.26	$144,533,297	$144,538,567	$151,369,732	
PSB Town Rev. Allocation 02.11.26	$144,533,297	$144,538,567	$144,033,053	
Increase ($) from prior year allocation	$1,740,706	$5,270	-$505,514	
Increase (%) from prior year allocation	1.22%	0.00%	-0.35%	
Funding Gap	$0	$0	$7,336,679	$7,336,679

The combined FY28 funding gap ($5,449,074) and FY29 funding gap ($7,336,679) equals $12,785,753 in reductions that will need to be made over those two years. Given the earlier discussion of how little non-salary is left, the cuts for FY28 and 29 (with one exception - bus service, below) are salary. As presented to School Committee on March 6, 2026:

- All K-8 after school sports, clubs, band, orchestra, drama, homework clubs, etc. would be eliminated or fee-based.
- Athletic programming would be reduced and fees would rise significantly
- South Brookline bus service would be eliminated (the bus service was previously subsidized by fees, which were removed in the 2023 operating override)
- Additionally, there would be a staff reduction of roughly 130 FTE, predominantly classroom teachers; 46 at BHS and 84 PreK-8.

At an average salary of $90K per person (typically PSB uses $85K, but the prior cuts will have eliminated educators on the lower end of the pay scale due to seniority rights), the last bullet above will be $11.7M, or over 91% of the $12,785,753 in required cuts. The other $1M+ will be taken from the first three bullets.

FY28-29 Cuts – High School

Table 11 shows a model of the impact of the 46 cuts at BHS that would be taken over FY28 and 29. 10 FTE would be reduced from non-teaching staff (administrative staff, counseling, library, athletics, etc.), while an additional 36 FTE would be taken from special education (non-mandated services) and classroom staff. Overall the FY27-29 failed override would reduce non-teaching staff by 23%, special education staff by 6%, and classroom staff by 29%. Total staff would be reduced by 20%.

Table 11: Staffing cuts at BHS that would be taken by FY29

			FY27 FTE			FTE by FY29		
		FY26 FTE	Initial	Rev.	Failed Override	Add'l Reductions	Failed Override	
Non-Teaching	Principals Office	10.3	10.3	-1	-1		8.3	
	Principals Office Support	14.8	13.8				13.8	
	Security	5	5		-1		4	
	School Counseling	21.9	21.9				21.9	
	Library Media/Tech Ed	5	4				4	
	Athletics	5	5		-1		4	
	SUBTOTAL	**62**	**60**	**-1**	**-3**	**-10**	**46**	23%
Mandated Programs	Special Education	89.8	87.8		-1	-5	81.8	
	Related Services	9.4	9.4				9.4	
	English Language Learners	1.5	1.5				1.5	
	Health/Wellness	4.5	4.5			-0.5	4	
	SUBTOTAL	**105.2**	**103.2**	**0**	**-1**	**-5.5**	**96.7**	6%
Classroom	English	21.8	21.8		-1	-5	15.8	
	Math	22	22	-0.4	-1.6	-3.5	16.5	
	Science	25.2	25.2	-0.4	-2.6	-1	21.2	
	Social Studies	22	22	-0.2	-1.5	-4.5	15.8	
	World Language	23.2	23.2	-0.4	-1.6	-6	15.2	
	SWS	3.4	3.4			-1	2.4	
	ACE	5	5			-0.5	4.5	
	Career/Tech Ed	10	10			-3	7	
	Performing Arts	6.3	6.3		-0.5	-2	3.8	
	Visual Arts	7	7		-0.5	-3	3.5	
	Interdepartmental	1.8	1.8		-1.8		0	
	Scholars	1.5	1.5		-0.5	-1	0	
	SUBTOTAL	**149.2**	**149.2**	**-1.4**	**-11.6**	**-30.5**	**105.7**	29%
	TOTAL	**316.4**	**312.4**	**-2.4**	**-15.6**	**-46**	**248.4**	20%

Table 12 shows the impact on class size averages with this reduced staffing. Class sizes are expected to range ±5 around the average, e.g. while the English class average is 32.2, class sizes would typically be 27-37. Special education reductions are non-mandated services and are part of the plus one reductions.

Table 12: BHS class size averages by FY29 with % increase

Dept	25-26 average class	By 29: average class	% increase
English	23.3	32.2	38%
Math	24.0	32.0	33%
Science	22.1	26.3	19%
Social Studies	23.0	32.0	39%
World Language	20.9	31.9	53%
SWS	19.5	27.7	42%
ACE	13.3	14.8	11%
Career/Tech Ed	21.6	30.8	43%
Performing Arts	20.5	34.0	66%
Visual Arts	14.3	28.6	100%

PSB leadership is unsure whether the high school can function at that scale of a reduction. Critically, the wholesale elimination of class sections (~29% fewer classroom FTEs means 29% fewer course sections) would mean that BHS cannot offer sufficient sections to sustain full (seven-block) schedules. If this occurs, BHS would not meet state requirements, which is an **immediate and material compliance concern**. At its March 6, 2026 meeting, School Committee members asked staff to proactively reach out to DESE to understand the implications of such a finding. The concern is that if the municipality is mandated by the state to appropriately fund the high school to functional levels, those funds will need to be summarily removed from somewhere else in the Town budget.

Beyond concerns of DESE compliance, there are **practical safety and legal concerns** of whether classrooms can support the higher size of the class range that these averages signify. For example, science labs are built for 24 students. PSB staff intentionally kept the FY29 class average as low as possible (it is still 26.3), but that will mean labs cannot fully accommodate students.

There are also **significant contractual and educational implications** of moving from ~90 to ~150+ student teaching load. If a teacher spends 15 minutes/week grading each student's work outside of class, that time goes from 22.5 hours of grading to 37.5 hours, just on grading – excluding class time, office hours, and prep time.

And part of the reason that the workload goes up so drastically is not just the increase in class size but the **end of the "+1 program."** As background, Brookline High School has a "4+1" non-contractual[78] practice in which educators teach four courses in their area of

[78] There are some aspects in the contract. 1: "It is the goal of the BSC that no full-time high school teachers in Social Studies, Math or Foreign Language shall have an aggregate student load of more than 115 students. If on November 1, such a teacher has a student load in excess of 115, the Head of School shall make efforts to reduce such load to 115." 2:

instruction, and are assigned a fifth "+1", such as tutorial (executive functioning support for general education students) or math/language support; these three categories comprise (60 of the 81, or 74% of the +1 assignments for this year (shown in **Table 13**.)

Table 13: FY26 +1 assignments

49	Tutorial
9	Second teacher in WL classes
9	Extra lab periods for AP Science
4	Math Center
5	Calculus Support
1	Queer Student Program
2	Teacher Mentors
2	Language Center/Support

Tutorial alone is 60% of +1 assignments. Tutorial functions as a Tier 2 multi-tiered system of supports (MTSS)[79] structure, providing broad, low-barrier, preventative academic assistance. When Tier 2 weakens, more students require higher intensity Tier 3 interventions, counseling and special education referrals grow, and credit recovery expands. Those higher-tier responses are inherently more intensive and **more costly**. Reducing Tutorial capacity alters the MTSS framework and shrinks the preventative layer that stabilizes outcomes for large numbers of students.

FY28-29 Cuts – K-8 Schools

The cuts in FY28-29 to the K-8 schools focus on the classroom, and it is logical to ask why. **Table 14** shows the staffing of PSB K-8 schools by functional area.

"Grades 9-12 teachers shall have a maximum of twenty (20) assigned instructional periods and four (4) periods of other assigned duties (one of which may be a homeroom), except as the BSC has previously voted otherwise."

[79] A recent PSB presentation about MTSS in PSB is available at https://brooklinema.portal.civicclerk.com/event/14951/files/attachment/14225

Table 14: staffing of PSB K-8 schools by functional area, noting earlier reductions and adjustments

		Reduced in recent budget cycles	Adjusted annually for enrollment	Reduced in FY27 budget	Reduced in FY27 failed override
Non-Teaching	Principals Office	Yes			
	Building Support	Yes			
	School Counseling		Yes		
	Literacy Specialists	Yes			
	Library Media/Ed Tech	Yes		Yes	
Mandated Programs	Special Education		Yes		
	Related Services		Yes		
	English Language Learners		Yes		
	Health/Wellness		Yes		
Classroom	Kindergarten		Yes		
	Grade 1		Yes		Yes
	Grade 2		Yes		
	Grade 3		Yes		
	Grade 4		Yes		
	Grade 5		Yes		
	English		Yes		
	Math		Yes		
	Science		Yes		
	Social Studies		Yes		
	World Language	Yes	Yes		Yes
	Performing Arts		Yes		Yes
	Visual Arts		Yes		

As noted earlier in the rationale for the FY27 cuts, prior cuts have whittled away most other possible cuts beyond classrooms: the K-8s no longer have math coaches, literacy coaches, Enrichment and Challenge Support staff, library aides, or K-5 World Language; as such, none of these are shown in **Table 14**. Literacy specialists and building aides were reduced several years ago, vice principals were reduced last year, educational technology specialists were reduced this year. This is in addition to the "right-sizing" based on enrollment that occurs annually for most positions. As described earlier, the FY27 failed override cuts also would eliminate 6-8 World Language and Conservatory, as well as half of the Grade 1 classroom aides. All of these reductions and adjustments are already reflected in the table. While theoretically there could be some non-classroom reductions to "specials" (i.e. PE, Art, Music), specials support contractually-mandated classroom teacher prep periods and with the prior elimination of 6-8 World Language and Conservatory, PSB will already be limited in its scheduling flexibility and ability to meet the contractual requirements.

Table 15 shows a model of the impact of the 84FTE reduction in the K-8 schools compared to the FY27 baseline enrollment. A reduction of this scale leads to 36% of classrooms

closed over two years. Class sizes average 30.3 students/class, which is an increase of 56% from the projected FY27 average, and have an extremely wide range from as small as 19 to as large as 51. At their March 6 meeting, the School Committee also asked about whether it was more appropriate to close schools, given the scale of the reduction. Staff analysis shows that the disruption caused by school closure, and the domino effect of redistricting that would cause, do not offset the savings of eliminating a handful of non-teaching FTE. However, should the override fail, this would be reanalyzed.

Class sizes averaging 30+ students cause similar concerns as those expressed earlier about the high school regarding classroom size, educational quality, and the ability to provide MTSS Tier 1 instruction (and avoid more intensive and most costly higher-tier interventions). Community members at times remark on the class sizes of their youth with 35-40 or even more students in a classroom, and wonder why PSB classes are smaller, but those experiences predate the Americans with Disabilities Act (ADA, passed in 1990) and the Individuals with Disabilities Education Act (IDEA, passed in 1975). PSB provides inclusive instruction, which will be extremely challenging in classes that average 30. The ability of the district to offer cost-effective specialized programs such as RISE, Adaptive Learning Center, and Therapeutic Learning Center could also be compromised, potentially leading to additional out-of-district placements at a substantially higher cost than the in-district program.

Table 15: Model of impacts to K-8 class sizes and classroom closures by number and percentage

Projected FY27 Enrollment										
Baker	**K**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**Total**
FY27 Projected Enrollment	60	63	68	84	78	84	80	76	76	670
Number of Classes	3	3	4	4	4	4	4	4	4	34
Average Class Size	20.1	20.9	17.1	20.9	19.6	21.1	20.1	19.1	18.9	19.7
Driscoll	**K**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**Total**
FY27 Projected Enrollment	49	45	60	49	76	59	78	59	66	540
Number of Classes	3	3	3	3	4	3	4	3	3	29
Average Class Size	16.2	15.0	19.9	16.4	18.9	19.7	19.6	19.6	21.9	18.6
Hayes	**K**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**Total**
FY27 Projected Enrollment	38	38	41	43	38	42	40	49	51	381
Number of Classes	2	2	2	2	2	2	2	2	3	19
Average Class Size	19.1	18.8	20.7	21.3	19.2	21.2	19.8	24.5	17.1	20.1
Lawrence	**K**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**Total**
FY27 Projected Enrollment	70	73	59	65	82	59	80	65	63	616
Number of Classes	4	4	3	3	4	3	4	3	3	31
Average Class Size	17.6	18.2	19.8	21.8	20.5	19.6	19.9	21.7	21.1	19.9
Lincoln	**K**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**Total**
FY27 Projected Enrollment	52	50	57	48	57	45	58	57	41	465
Number of Classes	3	3	3	3	3	2	3	3	2	25
Average Class Size	17.3	16.6	18.9	16.1	19.0	22.3	19.4	19.0	20.7	18.6
Pierce	**K**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**Total**
FY27 Projected Enrollment	60	54	59	52	54	65	68	67	65	544
Number of Classes	3	3	3	3	3	4	4	4	4	31
Average Class Size	20.0	18.1	19.7	17.4	18.1	16.2	16.9	16.8	16.2	17.5
Ruffin Ridley	**K**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**Total**
FY27 Projected Enrollment	89	99	102	90	106	96	93	94	81	850
Number of Classes	5	5	5	4	5	4	4	4	4	40
Average Class Size	17.9	19.8	20.5	22.6	21.1	23.9	23.3	23.4	20.3	21.3
Runkle	**K**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**Total**
FY27 Projected Enrollment	47	43	54	45	52	51	37	61	58	448
Number of Classes	3	2	3	2	3	3	2	3	3	24
Average Class Size	15.8	21.5	18.0	22.5	17.3	17.0	18.5	20.3	19.3	18.7
All	**K**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**Total**
FY27 Projected Enrollment	466	464	501	477	543	500	534	528	501	4515
Guideline	22	22	22	25	25	25	25	25	25	
Number of Classes	26	25	26	24	28	25	27	26	26	233
Average Class Size	17.9	18.6	19.3	19.9	19.4	20.0	19.8	20.3	19.3	19.4

With 84 Classroom Reductions (static enrollment)										
Baker	**K**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**Total**
FY27 Projected Enrollment	60	63	68	84	78	84	80	76	76	**670**
Number of Classes	2	2	3	3	2	3	3	2	2	**22**
Average Class Size	30.2	31.3	22.8	27.9	39.2	28.1	26.8	38.2	37.8	**30.5**
Driscoll	**K**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**Total**
FY27 Projected Enrollment	49	45	60	49	76	59	78	59	66	**540**
Number of Classes	2	2	2	2	2	2	2	2	2	**18**
Average Class Size	24.3	22.5	29.8	24.7	37.8	29.5	39.2	29.3	32.8	**30.0**
Hayes	**K**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**Total**
FY27 Projected Enrollment	38	38	41	43	38	42	40	49	51	**381**
Number of Classes	2	2	2	2	1	1	1	1	2	**14**
Average Class Size	19.1	18.8	20.7	21.3	38.3	42.3	39.7	49.0	25.7	**27.2**
Lawrence	**K**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**Total**
FY27 Projected Enrollment	70	73	59	65	82	59	80	65	63	**616**
Number of Classes	3	3	2	2	2	2	2	2	2	**20**
Average Class Size	23.4	24.2	29.7	32.7	41.0	29.3	39.8	32.5	31.7	**30.8**
Lincoln	**K**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**Total**
FY27 Projected Enrollment	52	50	57	48	57	45	58	57	41	**465**
Number of Classes	2	2	2	2	2	2	2	2	1	**17**
Average Class Size	26.0	24.8	28.3	24.2	28.5	22.3	29.2	28.5	41.3	**27.4**
Pierce	**K**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**Total**
FY27 Projected Enrollment	60	54	59	52	54	65	68	67	65	**544**
Number of Classes	2	2	2	2	2	2	2	2	2	**18**
Average Class Size	30.0	27.2	29.5	26.2	27.2	32.3	33.8	33.7	32.3	**30.2**
Ruffin Ridley	**K**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**Total**
FY27 Projected Enrollment	89	99	102	90	106	96	93	94	81	**850**
Number of Classes	3	3	3	3	3	3	3	2	2	**25**
Average Class Size	29.8	33.0	34.1	30.1	35.2	31.9	31.0	46.8	40.7	**34.0**
Runkle	**K**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**Total**
FY27 Projected Enrollment	47	43	54	45	52	51	37	61	58	**448**
Number of Classes	2	2	2	1	2	1	1	2	2	**15**
Average Class Size	23.7	21.5	27.0	45.0	26.0	51.0	37.0	30.5	29.0	**29.9**
All	**K**	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**Total**
FY27 Projected Enrollment	466	464	501	477	543	500	534	528	501	**4515**
Guideline	22	22	22	25	25	25	25	25	25	
Number of Classes	18	18	18	17	16	16	16	15	15	**149**
Average Class Size	25.9	25.8	27.8	28.1	34.0	31.3	33.4	35.2	33.4	**30.3**

Classrooms Closed	
12	**35%**
11	**38%**
5	**26%**
11	**35%**
8	**32%**
13	**42%**
15	**38%**
9	**38%**
84	**36%**

FY27-29 Cuts Impact

The cumulative cuts from the FY26 staffing level total 210.3FTE: 22.1 in the initial budget, 58.2 in an FY27 failed override scenario, and another 130 in FY28-29. This represents a 14.5% reduction in total staffing from FY26 (1452.3 FTE) to FY29 (1242 FTE) with a near-flat projection in enrollment.

The FY27-29 cuts to the high school lead to concerns of compliance with state regulations on time and learning, if BHS cannot offer full schedules to students. Districtwide, FY27-29 cuts lead to the end of programming like K-8 World Language and Conservatory, and extremely large class sizes that cause issues of instructional quality and lab safety, as well as contractual implications, with impacts to the entire MTSS model, risking more intensive and expensive interventions.

The bottom-line impact is that should cuts of the scale that are contemplated here need to be enacted, then the high-quality education that PSB offers, for which the Town of Brookline is internationally known, will be severely damaged. This has a direct impact on the students, as well as on the community overall.

Furthermore, if we believe a program is important, it is essential to maintain them rather than think about cutting them now and restoring them at a later time. The cost of restoring

a program after a few years far exceeds the savings that were achieved. While it may be challenging to sustain programs that already exist, to lose a program indefinitely is not just a one-time loss but an accumulated loss of an investment built over time that will likely be irretrievable.

Schools Subcommittee Appendices

Appendix: Facilities Rentals

Appendix A: Information from 2014 Override Study Committee

Gym Usage

Although the school system has stated policies for gym usage (as well as cafeteria, auditoriums, classroom, music and band rooms, etc.)[80] during after-school and weekend periods, it is not readily evident that the central administration of these uses is organized and/or marketed in a manner that seeks to actively realize revenue.

With regard to the gyms at the schools, it should be noted that communities surrounding Brookline do charge for gym space and that in the Boston metropolitan area gym space routinely rents for $100 per hour. For example, the Park School has rented space to Brookline Travel Teams seeking extra practice time at a cost of $110 per hour. Even after providing discounts to Brookline programs there is likely to be a meaningful amount of money that could be generated for the Town or the Schools.

Cursory analysis suggests that there are 8-14 spaces at schools that could be rented out. These include a gym at each elementary school and as many as four gyms at the high school. Most gyms are in use immediately after school ends, either for high school sports, extended day programs or other intramural programs. School buildings are open until 9:00 PM on weekday evenings (Mondays excluded though with usage it would be economical to keep the buildings open). Buildings are occasionally open during the weekends. Having demand that merits, from a financial perspective, consistently opening buildings, or at least gyms, should be examined relative to the costs involved.

Even after taking into account the prerequisite demand of Brookline teams, an analysis indicates that there could be as much as $200,000 to $400,000 in net revenue that could be earned by the Schools just during the winter months. This analysis is summarized on the next page.

Market Rate		$ 100
Discount Rate 1		$ 60
Basketball Rate		$ 25
Basketball 0 Rate		$ -
	Gyms	
Elementary	8	
High School	4	

[80] See 'Use of School Building Program' at http://www.brookline.k12.ma.us/index.php?option=com_content&view=article&id=190:administration-a-finance-school-building-services&catid=38&Itemid=78

	Gross[81]	Net[82]
Available Hours (5:30-9:30 Weekdays)	270	146
Available Hours (9:00-8:00 Weekends)	286	228
Winter weeks		15
Effective Utilization		80%
Possible Weekday Revenue[83]	**Per Week**	**Winter Season**
Basketball $0, Rest at Market	$ 11,680	$ 175,200
Basketball $25, Rest at Brookline Discount	$ 10,108	$ 151,620
Basketball $25, Rest at Market	$ 14,780	$ 221,700
Possible Weekend Revenue[84]	**Per Week**	**Winter Season**
Basketball $0, Rest at Market	$ 18,240	$ 273,600
Basketball $25, Rest at Brookline Discount	$ 12,094	$ 181,410
Basketball $25, Rest at Market	$ 19,390	$ 290,850
Combined 7 Day Possible Revenue		
Basketball $0, Rest at Market	$ 29,920	$ 448,800
Basketball $25, Rest at Brookline Discount	$ 22,202	$ 333,030
Basketball $25, Rest at Market	$ 34,170	$ 512,550
Possible Custodial Costs	**Hours**	**Rate**
Per weekday (1/2 hour per site per day)	32.5	20
Per Weekend (total unused hours)	228	40
	Weekly Cost	**Season Cost**
	$ 650	$ 9,750
	$ 9,120	$ 136,800

In addition to basketball teams that might have an interest (currently paying $110 at Park), gyms can and are used for futsal, lacrosse and myriad other sports.

The Rec Department would benefit from better access to school gyms. Users would be charged for the services and an offsetting fee paid to the schools by the Rec Department. Brookline charges less for recreation fees than other towns and there is potential to increase revenue from this source.

This is an opportunity that the schools should examine immediately. Despite concerns about priority usage when schools need the space, such scheduling issues would be part

[81] Number of hours per day times number of gyms
[82] Takes out hours for travel teams, school teams, HS teams
[83] Revenues reflect 'Brookline Teams' at one rate and everyone else at a different rate. Combinations are open.
[84] Revenues reflect 'Brookline Teams' at one rate and everyone else at a different rate. Combinations are open.

of contracts executed with each user. Fees should be collected up-front before anyone is able to actually use the space.

The monetization of the space requires focus and potentially a dedicated person for all gyms. This program will have less success if there are 8 or 9 individuals responsible. Outsourcing the scheduling and/or fee collection to Rec should be examined.

Other Observations

In addition to these two opportunities, there are a wide variety of after-school activities for Brookline children and there are apparently significant issues and concerns regarding space, its use, coordination and communication, accessibility and funding. These are fully discussed in the 'Out of School Time Review Report' delivered to the School Committee in January of 2012. Some of the major points raised in the document include:

1. There is no long-term vision for after-school and out-of-school time activities.
2. There is a need for better coordination with regard to assigning and allocating space. This has implications for extended day and the fees for other space and programs discussed herein.
3. There are significant concerns raised by principals about student supervision and safety.
4. Policies regarding after-school space are inconsistently implemented or interpreted.
5. There is a lack of trust in the current system of communication.
6. There are financial and equity issues that need to be addressed.

The overall picture indicates that the school system can and should be doing a better job of managing the after-school use of space from both a programmatic and financial perspective. There are likely many ways the Schools and Town could work together to achieve better utilization of the space. In no particular order, these include:

1. Having the school system assume the responsibility for all after-school activities to promote better coordination, compliance, communication and similar programming at the various schools.
2. Having the PSB formally contract out some of the after-school activities to a vendor through a competitive bid process. This would also promote uniformity between programs and the likely ability of the Town to require, contractually, certain standards, including liability insurance, in the programs and the personnel hired by the vendors.
3. Having the PSB 'in-source' certain programs to the Recreation Department while the PSB maintains control of certain other programs. Here the Town and PSB would have responsibility for the programs leading to better control and coordination.

Any of the options that might be explored should be done with the goals of better management, increased revenue and system-wide consistency as priorities. All of these considerations are currently beyond the near-term charge of the OSC but could be

explored in depth in future months or via a joint committee sponsored by the Selectmen and the School Department.

Partial Analysis of Gross Revenue Potential

Assumptions Facility	Hourly Rate	Notes
Tappan Pavilion	$190.00	Hourly For-Profit Rate
BHS - Schluntz Gym	$190.00	Hourly For-Profit Rate
Tappan Sm. Gym #1	$190.00	Hourly For-Profit Rate
Tappan Sm. Gym #2	$190.00	Hourly For-Profit Rate
Driscoll Main Gym	$190.00	Hourly For-Profit Rate
FRR Main Gym	$190.00	Hourly For-Profit Rate
Driscoll Small Gym	$90.00	Hourly For-Profit Rate
Hayes School Gym	$90.00	Hourly For-Profit Rate
Runkle School Gym	$90.00	Hourly For-Profit Rate

Summer (Late June-Late August)

	Rental Hours M-F 9am-10pm	Sat/Sun 9am-10pm	Total/Week	Total Weeks	Total Hrs/Season	Total Revenue
Tappan Pavilion	55	26	81	9	729	$138,510.00
BHS - Schluntz Gym	55	26	81	9	729	$138,510.00
Tappan Gym #1	55	26	81	9	729	$138,510.00
Tappan Gym #2	55	26	81	9	729	$138,510.00
Driscoll Main Gym	55	26	81	9	729	$138,510.00
FRR Main Gym	55	26	81	9	729	$138,510.00
Driscoll Small Gym	55	26	81	9	729	$65,610.00
Hayes School Gym	55	26	81	9	729	$65,610.00
Runkle School Gym	55	26	81	9	729	$65,610.00
TOTAL SUMMER RENTAL FEES						$1,027,890.00

Fall (Early September - Late November)

Facility	Rental Hours M-F 6-10pm	Sat/Sun 9am-10pm	Total/Week	Total Weeks	Total Hrs/Season	Total Revenue
Tappan Pavilion	20	26	46	12	552	$104,880.00
BHS - Schluntz Gym*	20	23	43	12	516	$98,040.00
Tappan Gym #1	20	26	46	12	552	$104,880.00
Tappan Gym #2	20	26	46	12	552	$104,880.00
Driscoll Main Gym	20	26	46	12	552	$104,880.00
FRR Main Gym	20	26	46	12	552	$104,880.00
Driscoll Small Gym	20	26	46	12	552	$49,680.00
Hayes School Gym	20	26	46	12	552	$49,680.00
Runkle School Gym	20	26	46	12	552	$49,680.00

TOTAL FALL RENTAL FEES	$771,480.00

*Assumes HS games/Practice 3hrs Saturdays

Winter (Early December - Mid-March)

Facility	Rental Hours M-F 6-10pm	Sat/Sun 9am-10pm	Total/Week	Total Weeks	Total Hrs/Season	Total Revenue
Tappan Pavilion	20	26	46	13	598	$113,620.00
BHS - Schluntz Gym*	20	23	43	13	559	$106,210.00
Tappan Gym #1	20	26	46	13	598	$113,620.00
Tappan Gym #2	20	26	46	13	598	$113,620.00
Driscoll Main Gym	20	26	46	13	598	$113,620.00
FRR Main Gym	20	26	46	13	598	$113,620.00
Driscoll Small Gym	20	26	46	13	598	$53,820.00
Hayes School Gym	20	26	46	13	598	$53,820.00
Runkle School Gym	20	26	46	13	598	$53,820.00

TOTAL WINTER RENTAL FEES	$835,770.00
*Assumes HS games/Practice 3hrs Saturdays	

		Spring (Mid-March - Late-June)				
	Rental Hours					
Facility	**M-F 6-10pm**	**Sat/Sun 9am-10pm**	**Total/Week**	**Total Weeks**	**Total Hrs/Season**	**Total Revenue**
Tappan Pavilion	20	26	46	15	690	$131,100.00
BHS - Schluntz Gym*	20	23	43	15	645	$122,550.00
Tappan Gym #1	20	26	46	15	690	$131,100.00
Tappan Gym #2	20	26	46	15	690	$131,100.00
Driscoll Main Gym	20	26	46	15	690	$131,100.00
FRR Main Gym	20	26	46	15	690	$131,100.00
Driscoll Small Gym	20	26	46	15	690	$62,100.00
Hayes School Gym	20	26	46	15	690	$62,100.00
Runkle School Gym	20	26	46	15	690	$62,100.00

TOTAL WINTER RENTAL FEES	$964,350.00
*Assumes HS games/Practice 3hrs Saturdays	

TOTAL ALL FACILITIES

Facility	Total Rental Hrs	Total Rental Revenue
Tappan Pavilion	2569	$488,110.00
BHS - Schluntz Gym	2449	$465,310.00
Tappan Gym #1	2569	$488,110.00
Tappan Gym #2	2569	$488,110.00
Driscoll Main Gym	2569	$488,110.00
FRR Main Gym	2569	$488,110.00
Driscoll Small Gym	2569	$231,210.00
Hayes School Gym	2569	$231,210.00
Runkle School Gym	2569	$231,210.00
TOTAL ALL RENTAL FEE S		**$3,599,490.00**

THE PUBLIC SCHOOLS OF BROOKLINE
BROOKLINE, MASSACHUSETTS
APPLICATION FOR THE USE OF A SCHOOL BUILDING
Fees as voted by School Committee on

05/19/2023 Please Check the Appropriate Box

☐ Municipal and/or Community non-profit civic, educational, religious, or political group (Proof of non-profit tax status required)

☐ For Profit Group

Please note, no space will be rented the week after school gets out or the week before school begins

A. **Group Requesting Use:** _____

Address: _____

Telephone: _____

Contact Name:

_____

E-Mail Address:

_____

B. **Reason for Request:** _____

Program Title/Description: _____

Total Participants: _____

Is the event open to the public? YES ☐ NO ☐

**If *NO*, to whom is it open? _____

Is admission, tuition, or donation requested: YES ☐ NO ☐

If *YES*, what is to be made from the profits? _____

C. Request (List in order of preference)

	School and Room	Day and Date	Hours (From – To)
1.)			
2.)			
3.)			
4.)			

** If your request is for regular or repeated scheduled use, a complete schedule covering the period September to June *MUST* accompany the application form.

D. Fees for Use of a School Building: Payment for all estimated fees is to be made in advance with the return of this application. Any additional charges for damages to the building or its contents as a consequence of use, or for additional hours of use will be billed after the event and be payable within 10 days of the issuance of the bills. **A security deposit may be required at the Brookline Public School's discretion**.

No payments are to be made directly to any Custodian, Food Service Worker, Stage Worker, Firefighter, Policeman, or any other person who serves the event.

As a condition of use, I agree, that as the authorized representative of this organization, that I shall be responsible for:

1. Room Fees (Minimum charge of 4 hours on weekends) As of 5/19/23

		Cost per Hour	
Rental Spaces		**Profit Groups**	**Municipal and/or Community Non-Profit**
BHS	Gyms, Pavilion, Auditorium	$190.00	$124.00
	Atrium, MLK Room, 22 Tappan Conference Room	$110.00	$72.00
	STEM Commons	$130.00	$85.00
	Classrooms	$25.00	$16.00
	22 Tappan Café, Cafeteria	$140.00	$91.00
	Kitchen: (Flat Fee + cost of Food Service Worker)	$140.00	$91.00
ELEMENTARY	Lincoln Auditorium & Florida Ruffin Ridley School Gym	$190.00	$124.00
	Pierce > Driscoll Auditorium / Ridley Multi-Purpose Room	$170.00	$111.00
	Other Auditoriums / Gyms	$90.00	$33.00
	Small Gym / Multi-Purpose Room	$50.00	$33.00
	Music / Band Practice Rooms	$40.00	$26.00
	Classrooms without AC	$25.00	$16.00
	Classrooms with AC (when available)	$50.00	$33.00
	Half Classroom / Conference Room	$15.00	$10.00
	Cafeteria	$100.00	$65.00
	Small Gym at Driscoll/Florida Ruffin Ridley/new Pierce Schools	$90.00	$59.00
	Parking Garage (Pierce / 345 Harvard)	$300.00 Flat Fee	$195.00 Flat Fee

# of Rooms	x	Rate Per Room	x	Each 4-hour time block	x	TOTAL ROOM FEE
		$				$

** If you are requesting use of: The Brookline High School Auditorium, contact Kenny Kozol, Auditorium Manager at (617) 713-5216; A kitchen, please contact the Food Services Department at (617) 730-2415 to hire staff; and/or Questions regarding room setup, availability of tables and chairs, or room capacities, contact the Operations Department at (617) 730-2453 or psb-facilities@psbma.org.

2. **Equipment Rental Fees**: Use of AV and/or Lighting Equipment for the Brookline High School's Robert Dubbs Auditorium is listed below.

Stage Lighting Equipment	$250.00 ☐	
Mounted Projection	$50.00 ☐	
1-3 Microphones	$60.00 ☐	
4-8 Microphones	$100.00 ☐	

TOTAL EQUIPMENT FEE:
$

3. **Required Custodian Coverage:** Weekends and holidays, $216.00 first 4 hours per custodian; $54.00 per custodian each additional hour. Weekday custodial coverage is at the district's discretion and often billed by the hour based on guest volume, food, and nature of use.

# of Custodians	x	$216.00	+	$54.00 per hour	x	# of additional hours	=	Total Custodian Fee:
		$		$				$

4. **Stage Workers at Brookline High School:** $17.00 per hour per stage worker

# of Stage Workers	x	$17.00 per hour	x	# of hours	=	Total Stage Worker Fee:
		$				$

5. **Food Service (FS) Workers:** $184.00 first 4 hours per worker, $46.00 per hour per worker for each additional hour.

# of FS Workers	x	$184.00	+	$46.00 per hour	x	# of additional hours	=	Total FS Fee
		$		$				$

6. **Special Duty Police and Firefighters:** To be billed at the prevailing rate after the event.

7. **Reimbursement to the Town for any damages to the building or its content as a consequence of use.**

Payment must be enclosed for all estimated fees. Add totals 1, 2, 3, 4, & 5. All other additional charges will be billed within 2 weeks of the event.

All checks should be made out to the **Town of Brookline**. Refer to the last page of this form for additional regulations pertaining to the use of school buildings. If you have any questions, please contact Shaina Aubourg in the Operations Department at (617) 730-2453 or psb-facilities@psbma.org.

Signature: _____ Date: _____

Title: _____

Please return application and checks to:

The Public Schools
of Brookline
Attention:
Operations
Department 490
Heath Street

Chestnut Hill, MA 02467

In the event that the school requires a space that has been rented, we will notify the renter as soon as possible and either relocate the event or find a date that the event can be made up.

If the event requires additional custodial time/ clean up, the renter will be notified and invoiced appropriately.

If school is canceled or closed due to weather conditions, all after school events are canceled as well. A make-up date can be discussed once school is back in session.

Regulations Pertaining to the Use of School Buildings

1. The School Committee reserves the right to refuse the use of a school building to any person or organization at any time when such use will interfere with the work of the schools, or for any other reason which the School Committee deems sufficient.

2. Applications for the specific dates or use must be completed and filed with the BHS School Office and Operations Office for all Other buildings at least **one week** in advance of the dates required.

3. School Department, Schools in the Community, and Town agencies requesting repeated regularly scheduled use of a school building for the purposes of conducting classes or programs must include with the application form a complete schedule for the period of September to June of the dates, times, places, and expected number of participants. The application should be filed no later than September 1st.

4. The Manager of School Building Services will strive to grant requests according to preference in so far as it can be done without special assignment of personnel. Special assignment of personnel will increase the hourly overtime cost. Custodial overtime charges by the hour at the prevailing rate will be levied for time after 9 P.M. on designated "open late" nights at all elementary schools (see schedule below). Elementary schools are typically open until 6 P.M. on non-open late nights, and the scheduling of space is at the discretion of the Manager of School Building Services on these days. Custodial overtime charges by the hour at the prevailing rate will be levied for time after 6 P.M. on non-open late night and for any time required for extraordinary cleaning and furniture placement by the Custodian caused by the group's use of the building. The applicant is responsible for all overtime costs incurred.

5. The Public Schools of Brookline Elementary Schools "Open Late" Schedule.

SCHOOL	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY
Baker	9pm	9pm	9pm	9pm	6pm
Ridley	9pm	9pm	9pm	9pm	6pm
Driscoll	9pm	9pm	9pm	9pm	6pm
Heath	9pm	9pm	9pm	9pm	6pm
Lawrence	9pm	9pm	9pm	9pm	6pm
Lincoln	9pm	9pm	9pm	9pm	6pm
Pierce	9pm	9pm	9pm	9pm	6pm
Runkle	9pm	9pm	9pm	9pm	6pm

6. Town Agencies must pay custodial costs unless:

   (A) "On Duty" custodial coverage exists and is sufficient to meet the needs of the event or the meeting, in which case there shall be no fee.

   (B) The agency agrees to hold the meeting at such a time, place, and date (see schedule above).

7. All renters agree not to prop open doors or windows while using school buildings.

8. All renters agree to leave the space(s) rented in the same or better condition they found the space(s). Renters agree to bring their own consumable supplies and materials and not use PSB's supplies and materials.

9. All renters must provide a certificate of insurance, and maintain such insurance when renting space in school buildings, from an insurance company licensed to do business in Massachusetts, that lists both the "the Town of Brookline and the Public Schools of Brookline as an additional insured" under that insurance policy. The minimum insurance is $3,000,000 of total insurance, but the district may require more at its discretion. Failure to provide insurance shall be grounds for denying a rental application.

Appendix: BEEP Tuition Analysis

Appendix A: BEEP Budget Presentation February 2023



PUBLIC SCHOOLS of
BROOKLINE

BEEP Budget Presentation February 2023

BEEP Budget Planning: FY 24 and FY25

- Review projected enrollment for FY 24
- Proposed Tuition for FY 24
- FY 25: Moving to a school day : Anticipated tuition increase
- BEEP Vision: Re-establish BEEP's Pre Kindergarten Classrooms in PSB Spaces

BEEP Projected Enrollment FY 24

Applications closed on January 15, 2023

Applications Received: 346- new and returning

47 families have applied for financial aid

Reopen Putterham Preschool: Interest and need

FY 24: 24 Classrooms (1 more than FY 23)

Program Configuration:

IEP Seats	Financial Aid Seats	Tuition Paying	Total seats available
88	40	217	345

FY 24 Tuition

Current Tuition: $11,796

Proposed Increase: Additional classroom for FY24

2%: $12,032

3%: $12,150

3.5%: $12,209

Finance and Administration recommends: 3.5%

Tuition paying seats: Between 190 and 217. For the last two years we have enrolled less than 200 tuition paying students.

FY 25: Full Day Programming

FTE Increases for FY 25:
18 General Education/Inclusive PK Teachers from .85 to 1.0 FTE
32 (approx) Paraprofessionals: .67 to .85 FTE

Remainder of BEEP Educators (42) no increase in FTE.
RISE Teachers, ALC Teachers, Specialists and Admin.

Tuition for FY 25:
$17,500
Increasing from 21.25 hours/week to 31.7 hours/week
10.45 hours/week

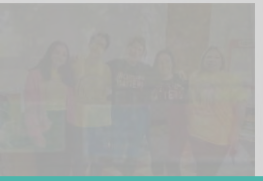
Enrolling between 190 and 217 tuition paying seats

Other Considerations

- 8:00 am to 12:15 pm programming is outdated and does not work for many families. This is the reason enrollment has not met projected amount.
- Cost of Early Childhood Centers in Brookline with school day programing:
  - Range from $16,000 for a 8:30 am to 3:00 pm to $20,150 for 8 am to 4 pm
- Currently a BEEP family with ED from 8:00 am to 3:00 pm pays on average: $19,297/year.
- Over the next two fiscal years we are looking to reduce the number of leased spaces which will result in some cost savings for the district.

Reestablish BEEP’s inclusive classrooms in the Public Schools of Brookline.

This will optimize learning experiences for children and families and aligns with the district's values of high achievement for all and educational equity.



Questions?

Thank you!

Appendix: CLA Report Response

Appendix A: Scope of work for review

Appendix B: CliftonLarsonAllen Final Report

Appendix C: Comments on Final Report from School Committee Member Mariah Nobrega

Appendix D: CLA Report Summary chart

Appendix E: Cover Memo from Town Administrator Charles Carey

Appendix F: Town/School MOU 2025

Appendix G: Quarterly Budget Updates

Appendix H: Financial Policy

Appendix I: Student Services Slides

Appendix J: IDEA audit letter

Appendix K: PSB Response to CLA Report

Appendix A: Scope of work for review

PURPOSE OF REQUEST

The Town of Brookline is seeking a review of the budget and management processes of the Public Schools of Brookline ("PSB") in response to (1) a complaint by a senior member of the PSB administrative staff, (2) cost overruns in Fiscal Year ("FY") 2025, and (3) a significant projected deficit in FY2026.

SCOPE OF WORK

The work shall consist of an independent review of the allegations contained in the complaint, as well as a review and explanation of the circumstances which led to the current and projected future deficits in the PSB budget. Questions to be answered include, but are not limited to:

1. What are the reason(s) for PSB's FY2025 cost overruns and projected FY2026 deficit?
2. Are PSB's current or projected future deficits attributable in whole or in part to misfeasance, malfeasance, failure to follow established practices, or lack of appropriate controls?
3. What caused delays, interruptions, or non-payment of special education services in both FY2024 and FY2025?
4. What internal controls, processes, or procedures consistent with the best practices of Massachusetts public school systems could be established or modified to optimize or expedite PSB's fulfillment of its legal obligations under state and federal law related to students' rights?
5. How do PSB's financial or management practices compare to best practices for Massachusetts school districts? If PSB's practices depart from those best practices, what recommendations would you make to correct them?
6. Are there material expenditures that were inappropriately or inaccurately charged to a particular PSB office during FY2024 or FY2025 that should have been charged to a different office or department's budget? If so, were such charges the result of error, intention, or policies or procedures governing allocation of costs across PSB operational units?
7. What policies or procedures govern communication between the Office of Student Services ("OSS") and the Office of Administration & Finance ("OAF")? What additional policies or procedures, consistent with Massachusetts best practices, could be established to optimize communication between the two offices, and, by extension, OAF and any other PSB operational unit?

METHODOLOGY & DELIVERABLES

This review may include face to face interviews with personnel and others, review of associated documents and accounts, written reports and electronic file/computer content, both regular and special education contracts, and relevant policies and procedures of PSB. The aim of the review is to identify the causes of the current PSB deficits and to provide a roadmap for ensuring future compliance with best practices, Town financial policies, and applicable Massachusetts and federal laws.

The review shall be undertaken promptly and independently, as time is of the essence and the integrity of the results is of paramount importance. The Brookline Town-School Partnership Committee, with the Chair of the Brookline Audit Committee serving as an *ex officio* member for the purposes of this engagement, shall provide oversight and guidance as to the scope of the inquiry, but the firm will be expected to exercise independent judgment in conducting the inquiry to achieve a thorough and objective outcome.

It is expected that the review will take a maximum of six weeks to complete, and the firm must submit a proposed schedule in its proposal for completion of expected deliverables. Additionally, in its proposal, the firm shall submit resumes of personnel to be assigned to the review, identify the role that each would play, and state their hourly rates. The Town reserves the right to ask for references and for staff that demonstrates experience providing the services requested.

While the review is in progress, the firm shall meet at least every two weeks with a small group (which may include the chair of the Town-School Partnership Committee, the Chair of the Brookline Audit Committee, the Chair of the School Committee, a designee from the Advisory Committee not on the Town-School Partnership Committee, and a Town staff member) to update them on the status of the review.

Upon completion of this review, the firm shall provide a comprehensive written report of its findings and conclusions to the Chair of the School Committee and the Chair of the Town-School Partnership. Should the firm believe its report to contain sensitive information that must remain confidential, the firm shall review the report with Brookline Office of Town Counsel to identify and redact any such confidential information in advance of the report's dissemination. With approval from the Town-School Partnership Committee, the firm may divide its report into two or more parts if doing so would allow time-sensitive deliverables to be disseminated.

CliftonLarsonAllen LLP
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Andover, MA 01810

claconnect.com

May 16, 2025

To: Town of Brookline Audit Committee,
Selectboard,
Town School Partnership Committee,
School Committee,
333 Washington Street
Brookline, MA 02445

Dear Selectboard and Committee members:

CliftonLarsonAllen LLP ("CLA" or "we") was engaged by the Town of Brookline, MA ("you", "your", or "Town") to evaluate the School Department's ("School") fiscal year 2025 cost overruns and fiscal year 2026 projected budget deficit, as well as an evaluation of internal controls, processes and procedures related to School finance.

This report highlights several key observations and recommendations aimed at addressing budget deficits, monitoring and improving internal controls, and observation regarding the overall working environment.

We performed our engagement in accordance with the Statement on Standards for Consulting Services issued by the American Institute of Certified Public Accountants. Any conclusions reached are our professional judgement based on the relevant data obtained in performing the procedures. The consulting procedures under this engagement do not constitute a review or examination under the AICPA's U.S. attestation standards, nor an audit made in accordance with U.S. generally accepted auditing standards, the objective of which would be the expression of an opinion or conclusion on the subject matter in accordance with the criteria. Accordingly, we do not express such an opinion, conclusion, or provide any other form of assurance and we will not otherwise verify or audit any information provided to us. In addition, the engagement was not a forensic engagement performed in accordance with the Statement on Standards for Forensic Services.

The Town and School's management agrees to assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, and/or experience to understand and oversee the services; evaluate the adequacy and results of the services; and accept responsibility for the results of the services. You are also responsible for establishing and maintaining internal controls, including monitoring of ongoing activities. The procedures performed by CLA are not a substitution for management's responsibility to maintain a system of controls to mitigate risk.

This report is intended solely for the use of the Town, governance and its management and is not intended to be and should not be used by anyone other than these specified parties. Any unauthorized use of this report is strictly prohibited. CLA assumes no liability for its use by any party not authorized to do so.

Executive Summary

CLA interviewed twelve personnel involved in the day-to-day operations of the Office of Administration and Finance (OAF)and Office of Student Services (OSS), as well as the Superintendent. Our engagement was started prior to the departure of the former Interim Deputy Superintendent for Student Services and included an interview with this now former employee. We evaluated reports and transactions within the financial system, from fiscal year 2020 through March of 2025. We also evaluated supporting documentation for fiscal year 2025 and fiscal year 2026 budget preparation. We also evaluated selected School Committee meeting minutes of the current fiscal year, to the extent they related to the current financial situation.

This report organizes the observations, findings and recommendations into four main categories: budget related, internal controls related, Office of Student Services related, and the overall working environment observed.

Budget related observations and findings:

1. Fiscal year 2025 salary budget deficit
2. Fiscal year 2025 Special Education ("SPED") expenses
3. Fiscal year 2026 budget projected deficit
4. Growth in available revolving fund balances

Internal Controls related observations and findings:

5. Potential violations of established internal controls: Signatures on Contracts
6. Potential violation of established internal controls: CORI Checks and OSS hiring

Office of Student Services related observations and findings:

7. Misunderstanding of certain SPED requirements
8. The handling and reporting of settlements
9. Federal grant management and procurement deficiencies

Working environment related observations and findings:

10. Breakdown in inter- and intra-departmental communication
11. Lack of protection of sensitive information

In Appendix 1 of the report, you will find a crosswalk of the specific questions outlined in the Request for Quote (RFQ) with the related findings as noted below.

Detailed Observation/Findings/Recommendations:

Budget Related:

1. **Fiscal year 2025 salary budget deficit:**

    a. Observation/Finding: In developing the fiscal year 2025 salary budget, the School used a very detailed Excel workbook that tracked by location and by person the expected payroll costs for the District. Budgeting at this detailed level is recommended, however, we observed in the workbook that there was a formula error that caused the salary budget to be understated by $1,134,691 within the Central Office location. At the November 14, 2024 School Committee meeting OAF provided a Q1 financial update referencing a comparable deficit in salaries, but conveyed the cause was "Turnover in positions…. and an incomplete understanding of additional compensation during the last budget cycle."

b. Effect: Due to this error, the School started the year in a deficit position. Had the formula error been identified sooner, the School Department and Town could have made more immediate adjustments to the budget or spending plan to minimize the impact.

c. Recommendations: If an Excel document is being used for detailed budgeting/tracking, we recommend additional validation to ensure that formulas are accurate. Had the formula been correct the salary variance would have been minimal. Another option is an integrated budgeting module and position control in the financial system, Enterprise ERP (MUNIS), which has the ability to do detailed salary projections within its budget module. Utilizing the budget module to its full capabilities would lessen the likelihood of formula errors.

2. Fiscal year 2025 Special Education ("SPED") Expenses

a. Observation/Finding: Based on our procedures, we were unable to find evidence that OSS provided a detailed analysis of costs and future estimates to the OAF office when developing the fiscal year 2025 SPED budget. It appears that the budget was based on a lump sum estimate by line item and was not in line with fiscal year 2024 expenses. We observed that there were significant overruns in several line items that the School has had to cover by reducing other line-item expense budgets. Below is a chart showing the three main deficit categories with a comparison of fiscal year 2024 costs compared to the fiscal year 2025 original budget.

	FY2024 Actuals/ Encumbrances	FY2025 Budget	FY2025 to FY2024 Variance
Transportation	4,503,396	3,788,865	(714,531)
Settlements	654,863	486,080	(168,783)
Contract Services	781,038	468,607	(312,431)

b. Effect: Due to the budgets not being based on a detailed analysis as well as being lower than the prior year with no supported reduction in services, these SPED categories are well over budget in fiscal year 2025. See below for status posted in the financial system as of 4-13-25:

	Fiscal Year 2025			
	Orig Budget	Actuals	Encumbrances	Deficit
Transportation	3,788,865	2,590,248	1,397,155	(198,538)
Settlements	486,080	500,731	415,315	(429,966)
Contract Services	468,607	437,071	502,902	(471,366)

The current estimated deficit doesn't include additional contracts that need to be entered, but there is no identified funding source. OAF and OSS are in the process of identifying this additional cost. Based on our most recent conversation with them. This additional amount is currently being determined by OAF and OSS. Most of these additional costs are related to settlements.

c. Recommendation: When budgeting expenditures, it is important to look at historical costs in addition to estimating out known detailed expenditures. Major fluctuations should be analyzed further. Based on our interviews, it appears that fiscal year 2026 was developed utilizing this approach and a new process was implemented.

3. **Fiscal year 2026 budget projected deficit**

a. Observation/Finding: The School department's budget is growing at a pace that exceeds the increase in year-over-year revenue availability. Below is a summary of revenue and expenditure pressures facing the district for fiscal year 2026:

Revenue components and related growth: (based on the fiscal year 2025 Tax Recap)

- Tax Levy – approximately 85% of the general fund funding source, limited to 2.5% increase plus new growth (excluding amount related to debt exclusion)
- Local Receipts – 9% of the general fund funding source, fluctuates depending on economic outlook.
- State Aid (net of charges) – 4.5% of general fund funding source, fiscal year 2026 estimated increase of 5.9%

Expenditure growth (based on budget presenting $8m deficit):

- The School department represents approximately 59% of the non-shared budget.
- 8% salary increase on general fund from fiscal year 2025 budget – including COLA/Steps & Lane Changes
- For salaries paid from other sources only a 2% increase, so general fund is taking on most of the cost increases
- $3.6 million (34%+) increase in SPED expense from fiscal year 25 Budget
    - $1.3 million in Out of District (OOD) tuition
    - $340 thousand in Settlements
    - $840 thousand in Professional Services
    - $700 thousand in Transportation expenses
    - $300 thousand in online books/subscriptions
    - $120 thousand in miscellaneous other increases
- No material impact of non-SPED expenses

b. Effect: Without a decrease in the FTE count or lessening the operating fund's burden to pay for the salaries, the salary contract increases and increased SPED costs are not sustainable short-term or long-term, unless additional funding sources are identified.

c. Recommendations: First, as will be discussed in Observation/Finding #8, the SPED settlements and contract services categories of expenditures need to be closely monitored and evaluated for cost savings measures. The current rate of growth in these areas is not sustainable. Second, we recommend that the School department work with the Town to develop a five-year rolling general fund revenue and expenditure projections. Multiple iterations can be developed based on different assumptions, such as operating override versus no override. A long-term plan should be presented to the boards for adoption.

4. **Growth in available revolving fund balances**

a. Observation/Finding: In addition to general fund appropriations and grants, the School has access to funds held in certain revolving funds, gift funds and Circuit Breaker funds. Revolving funds fall under specific statutes and receive revenues from various sources. The individual statutes identify what revenues are able to be posted to the fund and how the funds may be spent, without appropriation. Some are more restrictive than others. See Appendix 2 for more information related to the Revolving fund statutes.

In reviewing the historical data from fiscal year 2020 through fiscal year 2024, we found

a tremendous growth in the available balance of these additional funding sources as shown in Appendix 3. In fiscal year 2020, the revolving funds we identified finished the year with $1,276,153 in undesignated fund balance (UFB), and the Circuit Breaker fund finished with $186,054. By fiscal year 2022, those same balances grew to $4,748,767 and $2,508,567, respectively. During those same two years, the Schools requested and received $2,946,071 in additional funding from special Town meetings, and $50,000 in reserve fund transfers. Additionally, the School received additional one-time covid relief funds. By the end of fiscal year 2024, the total revolving fund balances remained just under five million, however the mix of the type of funds available changed, to where there was less of the more restricted funds. Circuit Breaker ended fiscal year 2024 with $2,357,894, however, this balance does not include the final payment of $911,163 which was received in early July.

b. Effect**:** From fiscal year 2020 through fiscal year 2024 the available balances of the Schools revolving funds grew almost 300% and Circuit Breaker grew from under 10% of the current year receipts to 87.5% (statute allows for up to 100% to be carried forward). During this same time period, additional funds were allocated by Town meeting. Had more of the costs been allocated to the revolving funds, the increased cost burden could have been lessened from the general fund.

c. Recommendation**:** We recommend that the School Committee develop a policy related to the use of revolving fund balances. This policy should define the statute each fund is related to (see Appendix 2), what types of costs the School intends to utilize the funds for, and target fund balance for each. The School should consider other comparable School districts' best practices for utilizing these funds. An exception to this policy would be the School lunch fund, which has various state and federal restrictions that must be followed. We further recommend that the Town Counsel review the policy to ensure it aligns with Massachusetts General Laws (MGL).

Internal Controls Related

5. Potential violations of established internal controls: Signatures on Contracts

a. Observation/Finding: We identified several instances where established internal controls related to contracting with vendors for SPED services appear to not have been followed. The Brookline Public Schools policy requires that the Deputy Superintendent of OAF review and sign off on vendor contracts prior to executing them and having work performed. There have been multiple OSS contracts that contained the Deputy Superintendent for Student Services' signature, but we were unable to observe the required Deputy Superintendent of OAF's signature. Additionally, these contracts did not have an approved funding source. In some instances, the vendor started providing services before receiving an executed contract.

b. Effect: Expenditures were incurred by the School from OSS contracts that were not properly authorized or entered as a purchase order into the financial system resulting in budget deficits, as well as a delay in paying invoices because there was no purchase order to pay them against.

c. Recommendation: While there are documented internal control policies addressing the above finding, they were not followed by previous employees. Furthermore, we

recommend that the policy emphasizes the requirement of entering properly executed contracts into the financial system immediately. To ensure that key internal controls and procedures are followed, we also recommend that the policy be updated to address the consequences for circumventing the required internal controls. These policy updates should include ramifications for internal controls violations and should be communicated to all employees to make them aware of the potential consequences for choosing not to follow policies and procedures going forward. Furthermore, we recommend that there be a designated senior management level employee responsible for overseeing the enforcement of this policy and taking disciplinary action when necessary.

6. Potential violations of established internal controls: CORI Checks and OSS hiring

a. Observation/Finding: During our interviews, we were made aware of concerns over the onboarding process followed by OSS for both employees and contracted service providers. The current Interim Deputy Superintendent for Student Services found that there were OSS service providers for which Criminal Offender Record Information (CORI) checks were not performed prior to services being rendered. They also stated that further delays in processing invoices were caused by not receiving a W-9 from the vendor, which is required by Federal statute. CORI checks are required to make sure that the vendors hired to work with Brookline students are safe to be around them and qualified to provide the necessary services.

   In addition to the above, the individuals interviewed conveyed that hiring procedures were not always followed. In several instances, they identified that OSS hired paraprofessionals without working with Human Resources (HR) and going through the formal hiring process that is required for all Brookline School employees. In some cases, the employees started working prior to filling out an I-9, W-4, and receiving CORI approval.

b. Effect: Employees and vendors have been hired without the required CORI verifications. This can create a substantial liability to the School and Town. More importantly, this puts all the students at risk of interacting with individuals who were not adequately vetted, especially the most vulnerable students with special needs. Additionally, the I-9 and W-4 are federal requirements that can carry significant civil and criminal penalties if not received/verified within 3 business days from the start of employment.

c. Recommendation: We recommend updating onboarding policies for both employees and vendors and communicating these policies to all applicable staff.

   For vendors, this should include verifying the following: CORI approval has been received, funding source has been identified (federal grants may have additional requirements), contracts have been signed by all applicable parties and a valid W-9 has been received. In addition, it is also best practice to recheck CORI statuses annually to make sure there have been no incidents since the initial check was done.

   For employees, this should include verifying the following: CORI approval has been received, I-9 has been completed and verified with required supporting documentation, W-4 has been received, and any other additional staff requirements that the School department typically follows.

As noted in Observation/Finding #9, due to the importance of following these safety measures and federal requirements, we recommend that there to be ramifications to those who are found to circumvent this policy.

Office of Student Services Related

7. **Misunderstanding of certain SPED requirements:**

a. Observation/Finding: When we met with the previous Deputy Superintendent for Student Services, there appeared to be some confusion with respect to certain SPED requirements. There was a belief that all "mandatory" services identified in the approved Individualized Education Plans (IEPs) had to be implemented within two days of the IEP approval and receipt of signatures from parents. However, the federal requirement for IEP services at § 34 CFR 300.342 states that the services need to be implemented *as soon as possible* after the IEP meetings are conducted and parental consent is received. As such, this does not necessarily require a two-day turnaround for implementation**.** If new staff or services providers must be brought in, it is reasonable to expect that it may take a few weeks, or possibly longer depending on the services, to onboard new staff or service providers.

Another area of confusion related to the sharing of SPED students' information with OAF. While it is important to protect certain specific information about the students, this was interpreted by OSS to include withholding details of the contract scopes/SOWs from the OAF staff responsible for reviewing and approving the contracts. Furthermore, service providers were not providing support for the services rendered.

b. Effect: The lack of understanding of the requirements resulted in the execution of contracts and the receipt of services outside of the School's policies and procedures. The two-day turnaround process that was used by OSS did not allow sufficient time to follow proper internal controls surrounding contract approvals and procurement of services from adequately vetted vendors (see Observation/Finding #6).

The withholding of all relevant information from OAF slowed down and sometimes prevented the required approval of the contracts by OAF, thus leading to work being conducted for unauthorized contracts and by vendors without proper security checks. Additionally, prior to paying invoices, finance was unable to verify that services were rendered and not duplicated. Additionally, they were unable to verify that invoice is in line with contractual requirements.

c. Recommendation: We recommend that OSS adhere to the federal requirement of implementing services *as soon as possible* after IEP meetings and parental consent, while remaining in compliance with established policies and procedures. A reasonable expected time frame would need to include enough time to properly evaluate new providers and staff, and to receive required documentation. It is important to communicate with parents and service providers the expected timeframe for start of service delivery.

No services should be provided until the vendors are sufficiently evaluated with CORI checks, Federal documentation is received and related contracts are properly executed by all required parties. Furthermore, we recommend that OSS require providers to

provide enough support in their contracts and invoices that will allow OAF to verify receipt of services and that services have not already been paid for. This should be done without jeopardizing the students' rights to privacy. For example, they could use student initials or other unique identifiers that only OSS could link back to the specific students but would provide enough information for OAF to verify that the services rendered were in accordance with the approved contracts.

8. **Handling and reporting of settlements:**

a. Observation/Finding: Based on the interviews conducted with current and prior OSS staff, we identified several observations/findings related to the handling and reporting of settlements. The School has a dedicated SPED team in place to develop IEPs and approve services to be provided to the students with special needs. As part of the IEP process, the team identifies which services may be provided by current staff and which ones will require that students go out of district (OOD) to receive services not currently available within the district. Due to the additional costs associated with providing OOD services to students, the IEP team carefully considers all other options available before approving such services. However, parents often do not agree with the determinations of the IEP team and will demand that certain services be provided beyond what is recommended by the IEP team. If the demands are not met, parents in the community have in the past threatened to or have filed lawsuits to receive the desired services. Several interviewed School employees shared that it has become the practice for OSS and their legal counsel to readily agree to settlement demands to avoid lawsuits and negative publicity. Current OSS employees, also conveyed that the previous Deputy Superintendent for Student Services would routinely roll the settlements forward as opposed to reassessing on an annual basis, as is best practice. Current OSS staff were instructed by the previous Deputy Superintendent for Student Services to not include settlement numbers in reports prepared for School Committee regarding OOD placements. For example, the student counts provided to the School Committee for fiscal year 2024 showed only 66 students with OOD placements, but it did not include the additional 20+ settlements at that time.

   In our interviews there were employees who expressed concerns that they felt pressured by individuals in management or governance to approve OOD or other SPED services for certain Brookline Schools students that were not necessary or appropriate in their view given the original IEP assessment effectively resulting in a management override of controls.

b. Effect: The approval of the OOD settlements results in additional costs to the School and Town for services that may not be deemed necessary based on the IEP assessments.

   The number of settlements has increased from 8 to 28 over the past ten years (from fiscal year 2015 through fiscal year 2025 numbers). Per the current OAF and OSS estimates, it is anticipated that the fiscal year 2025 settlement costs will total approximately over $2,000,000, while only $486,000 was budgeted for the year, leaving a budget deficit of over 75% of the total settlement costs and more than double the prior year's cost of settlements. Since this information regarding settlements was not included in reports being provided to the School Committee, they did not have all the information needed to make the best-informed decisions,

such as how the settlements should be handled and whether different vendors needed to be selected to get better rates.

c. Recommendation: First, we recommend full transparency with respect to reporting the numbers of OOD students and settlements, as well as the associated costs of each, to the School Committee by OSS. As a best practice, the total amounts should be broken out by category. This will allow the School Committee to make better decisions on behalf of the School. In reviewing the School Committee minutes from March 27, 2025, the OOD and settlement numbers were presented according to this recommendation. Continuing to do so will provide more transparency.

We also recommend that the School Committee direct OSS and OAF to evaluate the process of handling IEP disagreements and settlements that arise and how the School is contracting with vendors to provide services identified in the student IEPs. We recommend that the School contract with a vendor that provides Independent Educational Evaluations (IEEs) to assess cases of disagreement on placements. An independent evaluation can provide a "second opinion" regarding the recommended placement and is conducted by a qualified professional who is not employed by the School district. Review of the available active service providers, who already have CORI's on file, should be done prior to considering a new vendor. This will help to reduce the time needed to deliver services. If a new service provider is necessary, OSS should communicate to the parent an expected timeframe for getting a contract approved and CORI report (See Observation/Finding #6). Additionally, we recommend that all settlements be reassessed annually, rather than automatically rolling the agreements forward.

9. Federal grant management and procurement deficiencies:

a. Observations/Findings: Noted in several interviews were concerns regarding the management and budgeting of the grants, particularly the SPED IDEA Grant. For example, the approved budget for the current SPED IDEA Grant was not accurately entered into the MA Department of Elementary and Secondary Education (DESE) GEM$ grant management system. The previous Deputy Superintendent for Student Services entered different salaries amounts in the grant budget in GEM$ than what was already agreed upon internally, as she believed that the SPED IDEA level-of-effort requirements prohibited them from paying the same teachers with the current year grant funds that were paid with the prior year grant funds. Therefore, she removed from the grant budget those teachers that OAF had carried forward from the previous year, and she added new employees that were not approved by OAF and the School Committee as part of the salary financing plan. The grant approval process requires that the School Finance Director approve the budgets entered in GEM$ by the Deputy Superintendent for Student Services to move it to DESE for final approval in the system. Once approved by DESE, the School may begin utilizing the grant funds and request reimbursements. Since the budget entered did not agree with the approved budget and removed almost $500,000 in net salary costs, the School Finance Director did not approve the budget in GEM$ until instructed to do so by the Superintendent to avoid losing the grant funding, which resulted in management override of controls.

While SPED contracts are exempt from MGL Chapter 30B State procurement requirements, best business practices should still be maintained for purchasing. There

are no such exemptions in the Federal procurement regulations. When asked if Federal procurement was followed when purchasing goods and services exceeding the simplified acquisition threshold of $250,000 with the SPED IDEA and other federal grants, School personnel said that they were not. Instead, vendors were selected based on prior history or in some cases parental preferences. We evaluated the detailed general ledger and observed that there were five vendors paid from the fiscal year 2024 SPED IDEA Grant funds, totaling approximately $516,220, that had no documentation that federal procurement requirements were followed.

b. Effect: Due to the delay in the Finance Director approving the grant budget in GEM$ that did not reflect what was originally approved internally, the SPED IDEA grant was not formally approved by DESE until November. This caused the School to use other funding to cover costs incurred at the beginning of the School year and almost caused them to lose the grant award altogether.

   Additionally, the SPED contracts executed without adhering to the Federal procurement requirements are subject to noncompliance and audit findings. Audit findings could possibly include questioned costs associated with these contracts and could potentially jeopardize or reduce future grant funding received by the Town and School.

c. Recommendation: We recommend that procedures be implemented to ensure that only the approved budgets are entered into GEM$ and that OAF and OSS collaborate early in the process to ensure that there is agreement on the specific budget amounts to minimize any delay in the receipt of the grant funds. Any recommended changes to the approved budgets need to be communicated timely with all impacted parties, including OSS, OAF, and the School Committee, to determine if they are appropriate and to verify that they will not impact the grant or the operating funds. We also recommend that formal federal procurement procedures be adopted and included in the School's procurement policy to ensure that all SPED contracts funded by SPED IDEA and other federal awards comply with the procurement requirements described at § 2 CFR 200.318 through § 2 CFR 200.326 to prevent unallowable costs being charged to the grant and avoid potential audit findings in the future.

Overall Work Environment Related

10. **Breakdown in inter- and intra-departmental communication:**

a. Observation/Finding: During our meetings with School personnel, several employees described the working environment as hostile. It was explained to us that they did not feel supported by management or human resource personnel, and in some cases felt targeted for speaking up about concerns they had. Those that did not voice their concerns to management cited a fear of retaliation as the reason for not doing so. Others explained that they did not feel it would change anything, as it did not appear as though any action had been taken for previous complaints about employee behavior or concerns about work not being done properly. Several employees also conveyed that they, at times, felt pressured to complete their job duties in ways that they were not comfortable with. For example, hiring an employee who they did not feel was the best fit.

   Additionally, there has been significant turnover in the School central office,

especially within OAF, OSS, and HR. For example, there have been four Deputy Superintendents for Administration and Finance since fiscal year 2021. With each new Deputy Superintendent, there have been different ideas of how things should be done, which may not have always been communicated effectively to the staff. Many other positions within those offices have experienced similar turnover. As such, the employees would do things as they thought they should, as opposed to following current internal policies (see Observations/Findings #5 and #6 for further detail). Furthermore, there has been interpersonal friction over the years that has been amplified to the point that employees were limiting their communication to only the people whom they were most comfortable with, as opposed to the person that holds the responsible position. For example, the Finance Director was not always included in the budget preparation or meetings with the School Committee regarding financial questions, which should fall within that position's job duties.

b. Effect: While the high turnover has caused some of the communication breakdown within the School, the feeling of hostility within the work environment at the School has also contributed to additional turnover at the School and loss of historical knowledge. Additionally, as identified in several findings above, this environment has allowed management override of controls to exist and not be detected by other controls. Established procedures have not always been followed, leading to less productivity and incomplete/inaccurate work being performed. Furthermore, there was a lack of proper segregation of duties, as work was not always delegated to the most qualified person due to communication breakdowns and personality clashes within and among the different School Offices.

c. Recommendation: To give the employees a mechanism for voicing their concerns, we recommend implementing a whistleblower hotline. The hotline should give them the option of being anonymous or providing contact information to provide more details, and each message should be tracked in a log to follow up on. It is imperative that the identified issues are investigated and addressed.

   Furthermore, we also recommend that a more detailed HR assessment be undertaken. An HR assessment covers culture, processes, policies, procedures, and HR systems to evaluate regulatory compliance and controls in place to mitigate inherent risks and improve operations. Typically, this would include a detailed narrative report with findings, recommendations, and a roadmap for remediation.

11. Lack of protection of sensitive information:

a. Observation/Finding: It was brought to our attention during some of our interviews with the School staff that sensitive employee information was not protected. There were situations described in which employees' personally identifiable information, such as addresses, phone numbers and social security numbers, were left open on computer screens by some of the payroll and HR staff when they walked away from their desks. Based on our interviews, we were informed on one situation where information of a confidential nature was used for non-business purposes, resulting in legal action being taken. It is our understanding that the employee who leaked the personal information is still working for the School department and has suffered no repercussions for this conduct.

b. Effect: The lack of safeguarding sensitive information potentially puts the staff in

danger, as was demonstrated by the employee who needed to get a restraining order. This also puts the School and Town at risk of liability if such information ends up in the wrong hands and is used to cause harm. Additionally, this behavior without any repercussions creates distrust among employees, adding more tension to an already difficult work environment (see Observation/Finding #10).

c. Recommendation: We recommend that a formal policy be adopted that includes the requirement to maintain confidentiality and that failure to do so could result in termination. Along with the policy, we recommend mandatory formal cybersecurity training for all employees at least annually, including proof of training as a condition of continued employment.

I would like to thank the School staff for their cooperation during this engagement by providing responses to questions throughout this process and providing us access to requested information. Similar to other communities here in the Commonwealth, the costs to run a Town and School are growing faster than in the past, whereas recurring revenue streams are simply not growing at the same rate. This fiscal environment amplifies the need for improved budgeting techniques and adhere to internal controls policies. If there is any additional guidance or assistance CLA can provide, we are available to discuss.

Sincerely,

CLA

APPENDIX 1

RFQ Question	Related Observations/Findings
What are the reason(s) for PSB's FY2025 cost overruns and projected FY2026 deficit?	#1, #2, & #3
Are PSB's current or projected future deficits attributable in whole or in part to misfeasance, malfeasance, failure to follow established practices, or lack of appropriate controls?	#1, #2, #4, #5, & #8
What caused delays, interruptions, or non-payment of special education services in both FY2024 and FY2025?	#5, #6 & #7
What internal controls, processes, or procedures consistent with the best practices of Massachusetts public School systems could be established or modified to optimize or expedite PSB's fulfillment of its legal obligations under state and federal law related to students' rights?	#5, #6, #7, #8, & #9
How do PSB's financial or management practices compare to best practices for Massachusetts School districts? If PSB's practices depart from those best practices, what recommendations would you make to correct them?	All
Are there material expenditures that were inappropriately or inaccurately charged to a particular PSB office during FY2024 or FY2025 that should have been charged to a different office or department's budget? If so, were such charges the result of error, intention, or policies or procedures governing allocation of costs across PSB operational units?	#9
What policies or procedures govern communication between the Office of Student Services ("OSS") and the Office of Administration & Finance ("OAF")? What additional policies or procedures, consistent with Massachusetts best practices, could be established to optimize communication between the two offices, and, by extension, OAF and any other PSB operational unit?	#5, #6, #10

APPENDIX 2
Common Massachusetts General Law (MGL) School revolving fund statutes

Statute	Description of source of funds	Allowable uses of funds
MGL Chapter 44, Sec 53A	School Gift funds	Educational expenditures
MGL Chapter 71, Sec 71E	Adult and Continuing Ed program fees	Expended by School Committee without further appropriation for the support of such program
MGL Chapter 71, Sec 71C	Community School Program fees	Expended by School Committee without further appropriation for the support of such program
MGL Chapter 44, Sec 53	Lost Books and Supplies fees	Expended by School Committee without further appropriation for the replacement of lost books and supplies
MGL Chapter 71, Sec 47	School Athletics and Other Activity Receipts	Expended by School Committee without further appropriation for the support of the athletics or the activity
MGL Chapter 40, Sec 3	School Building Rentals	Costs related to the maintenance and upkeep of the building, funds revert to general fund unless the Town accepts the provision that the funds may remain and can be used to maintain other buildings under School Committee control
MGL Chapter 71, Sec 71E	Summer School Tuitions	Expended by School Committee without further appropriation for the support of such program
MGL Chapter 71, Sec 26C	Extended School Services (Day Care Receipts)	Expended by School Committee without further appropriation for the support of such program
MGL Chapter 71B, Sec 5A	Circuit Breaker receipts	Must be spent on SPED expenses, fund balance limited to the current year receipts
Chapter 548 of the Acts of 1948, as amended by Chapter 650 Sec 1969	School Lunch	Restricted to federal and state guidelines

APPENDIX 3

Town of Brookline
Revolving and Gift Funds as of 4/13/25
Additional Circuit Breaker Analysis

Fund	Fund Description	Source	FY2020	FY2021	FY2022	FY2023	FY2024	Growth % since FY2020
SE20	EARLY CHILDHOOD PROGRAM_REVO	Revolving	0	188,853	1,503,076	2,020,994	2,383,739	1991448892%
SE22	ADULT EDUCATION REVOLVING	Revolving	170,655	29,326	486,253	353,587	122,710	-28%
SE23	USE OF SCHOOL BLDGS, REVO	Revolving	101,316	89,375	199,216	16,114	20,695	-80%
SE24	SCHOOL TRANSPORT, REVOLVI	Revolving	19,164	6,334	109,284	29,143	29,502	54%
SE25	SCHOOL LUN REVOL	Revolving	301,928	136,069	1,091,093	955,564	783,212	159%
SE26	SCHOOL ATHLETICS REVOLVIN	Revolving	57,858	230,304	400,823	233,213	284,572	392%
SE27	SCHOOL RESTAURANT REVOLVI	Revolving	175,247	146,746	119,845	95,709	96,276	-45%
SE28	SUMMER SCHOOL REVOLVING	Revolving	27,841	-	12,000	27,390	34,800	25%
SE29	SCH BOOK REC REV	Revolving	9,632	11,086	11,979	13,559	12,268	27%
SE31	SCHOOL SUPPLIES RECOVERY	Revolving	4,254	4,254	4,204	5,038	6,943	63%
SE46	K-8 ATHLETICS REVOLVING	Revolving	-	-	23,318	28,515	33,354	new since 2020
SE52	SCHOOL TUITION REVOLVING	Revolving	282,177	887,344	613,228	691,158	740,705	162%
SEG9	PERFORMING ARTS REV FUND	Revolving	3,133	3,373	3,859	1,714	1,920	-39%
SEH6	VISUAL ARTS REV	Revolving	5,084	3,037	4,392	8,221	8,862	74%
SEH7	CULINARY ARTS REV	Revolving	3,174	2,260	10,337	5,033	2,734	-14%
SEH9	ELE SUMMER REV	Revolving	1,990	2,090	2,090	2,090	540	-73%
SEI7	ACADEMIC TESTING REVOLVING	Revolving	-	8,730	16,935	18,571	147,163	new since 2020
		Subtotal Revolving	1,163,453	1,749,180	4,611,933	4,505,614	4,715,993	305%
SEF2	RIDLEY SCHOOL	Gift	9,398	10,641	10,641	10,671	6,611	-34%
SEF4	HEATH SCHOOL GIFT	Gift	3,160	3,607	4,916	4,751	2,593	-18%
SEF5	LAWRENCE SCH GIFT	Gift	7,018	10,043	10,543	9,248	9,698	38%
SEF7	PIERCE SCH GIFT	Gift	3,663	3,663	4,163	4,163	4,163	14%
SEF9	BHS GIFT	Gift	16,950	22,950	26,111	34,991	32,780	93%
SEG1	BHS ATHLETIC GIFT	Gift	750	750	750	1,904	3,685	391%
SEG2	BEEP GIFT	Gift	38,367	50,117	48,982	51,482	53,982	41%
SEH4	WHIPPLE WRITING FELLOWSHIP GIFT	Gift	30,795	22,945	25,155	50,946	47,149	53%
SEH8	PSB DIST WIDE GIFT ACCT	Gift	2,000	5,575	5,575	4,075	4,575	129%
SEL1	SCH FOOD SVS GIFT	Gift	-	-	-	74,025	16,026	new since 2020
		Subtotal Gift	112,700	130,289	136,834	246,255	181,261	61%
		Total Revolving/Gift	1,276,153	1,879,470	4,748,767	4,751,870	4,897,253	284%
		Excluding School Lunch	**974,225**	**1,743,401**	**3,657,674**	**3,796,305**	**4,114,041**	322%

SPED Specific Other Source

		FY2020	FY2021	FY2022	FY2023	FY2024*	Growth % since FY2020
SEB3	Circuit Breaker (limited CFWD to CY Revenue)	186,054.33	1,091,167.84	2,508,567.29	3,046,078.10	2,357,893.66	1167%
	% of CY Revenue	9.6%	47.6%	80.3%	87.6%	87.5%	

*In FY24 Q4 payment was not accrued as revenue, ($911,163), Corrected for that, fund balance would have been 3,269,056.66, and 89.7% of CY revenue

Appendix C: Comments on Final Report from School Committee Member Mariah Nobrega

Comments May 22, 2025 TSP Meeting - Mariah Nobrega

I have reviewed the Town Administrator's memo, the report from CLA, and the matrix table connecting their recommendations to the original questions provided by the Town and PSB. These comments reflect on those materials.

Originally, my hope, in speaking with Audit Committee chair Paul Healy about the potential for a review, was that we would get clarity on what went wrong and how to fix it, so that we could rebuild trust. Trust with the community was broken. My own trust with PSB had been broken with the allegations. As a member of the School Committee and the finance chair, I have an insider's view and a sense of where the truth lies, but the unreconcilable reports coming from OSS and OAF required a third-party to review primary materials and determine facts, for everyone's sake.

And I do see some important recommendations that I believe are new or if not new, have not been fully considered by key stakeholders in the past. For example:

- Update MUNIS to have the needed modules and to have it be customized for PSB/school finance needs. This has been something PSB staff have long lamented and it needs to be done. I understand it may not have been implemented originally due to cost but it is past time it be done.
- The revolving fund balances – this is something that the finance subcommittee has requested for years and has come up at multiple meetings. Staff this year have been focused on closing out prior year grant accounts but have told us they would provide this for us in the future. It's important to manage those accounts closely.
- A new recommendation was to truly have implications for not following policies. For example the report recommends having cybersecurity training be a mandatory condition of employment, which I believe it is not currently. A policy on confidentiality also exists but again, I am not sure it is a condition of employment. What occurred regarding not establishing internal controls and procedures also could have been cut off more quickly if there were consequences as suggested. This will help, at least to some extent, although execution of consequences is less simple than it may appear.

So while I do see these benefits, I also have some concerns about the report.

First, the report does not answer key questions that were asked. For example, in response to *How do PSB's financial or management practices compare to best practices for Massachusetts School districts? If PSB's practices depart from those best practices, what recommendations would you make to correct them?*

The answer was *Answers to this question, and the recommendations for resolving it, are contained in the responses to the other six questions.*

That's not an answer, nor is the answer provided elsewhere.

In response to *Are there material expenditures that were inappropriately or inaccurately charged to a particular PSB office during FY2024 or FY2025 that should have been charged to a different office or department's budget? If so, were such charges the result of error, intention, or policies or procedures governing allocation of costs across PSB operational units?*

The answer was *A disagreement on whether certain expenses were eligible for a recurring federal grant resulted in a delay in receiving that grant, and ran the risk of losing it altogether.*

That does not answer the question, and the question was specifically articulated because the former deputy for OSS, in response to a question about the year on year growth on costs, alleged that OAF staff were charging other expenses to OSS accounts. We should get the answer to this question.

I think Brookline deserves the answers to the questions that were laid out for CLA to answer.

Second, I think we would have possibly gotten better answers, and an overall better report, if, as PSB staff had requested, they had been given the opportunity to correct factual issues. For example, my understanding is that OAF tried to explain that the $1.1M "Excel error" was not an error because the information that was perceived to be omitted was tracked elsewhere in the spreadsheet. Allowing factual errors to persist actually breaks down trust with the community and trust with the staff and board members who participated in this process.

Third, I think we would have gotten a tighter report if we can have at least some back and forth. For example, some questions I have

a. Point-in-time analysis of the revolving funds as done may not make the most sense given the financial flows and delays in posting revenues to the accounts that has occurred over recent years. Can you explain your choice of point in time? Additionally, the only fund with any meaningful increase in funds is the BEEP revolving fund, and that accounts for about 75% of the non-school lunch increase in revolving funds – was the reason for that increase explored?
b. The report says that The School Committee should ensure its administrators provide it with the information needed to make programmatic and budgetary decisions. How would we ensure that administrators are not misrepresenting facts to us and their colleagues, as happened this year?
c. The report includes "Allegations that special ed. services were given to students beyond what the data or the student's Individualized Education Program required due to "management or governance" intervention." Were those substantiated?

I would like to request either an opportunity to meet with CLA or an opportunity to submit follow up questions for response, from members of this body and other key stakeholders.

Fourth, I also think it's unfortunate that it was not explicitly stated that the primary cause of the PSB issues apparently stemmed from the former OSS deputy not following internal controls and apparently directing her office to do the same. This is alluded to, but not clearly stated. For example:

- The report says the OAF Deputy did not sign the contracts - it is not made clear why. It was not because she did not choose to sign or was slow to sign – this is because her signature block was removed from the contract and then the contract was sent out with one signature.
- The report says “we recommend that there be a designated senior management level employee responsible for overseeing the enforcement of this policy and taking disciplinary action when necessary.” It is left unsaid that the former deputy was responsible for this, and they themselves subverted the policy.
- The report says “While there are documented internal control policies addressing the above finding, they were not followed by previous employees.” Those employees are not in OAF, and that is not clear in the report, and under new leadership OSS is now following these protocols.
- The report says “Since this information regarding settlements was not included in reports being provided to the School Committee, they did not have all the information needed to make the best-informed decisions” but it doesn’t say that the former deputy of OSS provided incorrect information and overrode the correct information being provided.

These are just a few examples of not naming the problem, which was a senior manager who was not performing her responsibility to the district in critical and devastating ways.

Last, I am also concerned about allegations being included in the report alongside facts. I asked an earlier question about the “Allegations that special ed. services were given to students beyond what the data or the student’s Individualized Education Program required due to “management or governance” intervention.” If those were not substantiated, then this report is perpetuating a cycle of unsubstantiated allegations that got us here to this low-trust environment in the first place?

In conclusion, I would hope this body can have a discussion about 3 things: whether we can explore the report further with CLA, how to implement these initiatives and whether there is work that can be done in partnership to do so. For example, MUNIS – are there other changes that the Town would like to also see, to achieve economies of scale in any RFP? Should a whistleblower hotline be established for both Town and School, given that the town also has its own unfortunate issues that might have benefited from such a resource? Where would the funds for these types of improvements come from?

Thanks for listening and again, I do hope we can address some of the concerns and opportunities I have raised here.

Question	Answer	Recommendations
What are the reason(s) for PSB's FY2025 cost overruns and projected FY2026 deficit?	In FY25: • A ~$1.1M understatement of salaries due to a formula error, since corrected. • Special education costs were underbudgeted because not enough information was provided to the finance team. This is in the final stages of being accounted for to close out FY25. In FY26: • Budget growth that exceeds year-over-year revenue availability. There were: o An 8% increase in general-fund salary costs. o A 34% increase in special education expenses (in part to account for past underbudgeting).	The FY26 budget development process corrected several identified issues with the FY25 budget. However, neither the salary nor special education cost increases are sustainable in the short or long term without additional cuts or other funding being identified. Additional recommendations include: • Joint Town/School 5-year revenue and expenditure projections, with long-term plans placed before the Select Board & School Committee for review & approval. • Careful evaluation of special education settlements and contract costs going forward. • Additional formula validations or an integrated budget control module in the finance system.
Are PSB's current or projected future deficits attributable in whole or in part to misfeasance, malfeasance, failure to follow established practices, or lack of appropriate controls?	Yes. Per the report, there were: • Details unshared from the Office of Student Services that led to inaccurate budgeting, and incomplete information reaching the School Committee, including regarding the number of special education out-of-district settlements. • Inappropriate contracting practices governing the provision of special education services despite controls being implemented to prevent them. • Revolving fund balances left unappropriated in past fiscal years (this has been solved in FY26). • Allegations that special ed. services were given to students beyond what the data or the student's Individualized Education Program required due to "management or governance" intervention. • Breakdowns in communication and accountability that have led to a mutually reinforcing cycle of departures and frustrations due to lack of stability/institutional knowledge.	Implement the recommendations contained in this summary and the report.

What caused delays, interruptions, or non-payment of special education services in both FY2024 and FY2025?	Underbudgeting, failure to follow established internal controls/best practices, and a mistaken practice where services were contracted without notice to the finance team and on an unrealistic timeline. These led to issues such as delays in vendor payment because there were no purchase orders to pay them against, or situations where the finance office had no information about contracts they were tasked with reviewing and approving.	Implement the recommendations contained in this summary and the report.
What internal controls, processes, or procedures consistent with the best practices of Massachusetts public school systems could be established or modified to optimize or expedite PSB's fulfillment of its legal obligations under state and federal law related to students' rights?	• Contract with an outside vendor that provides Independent Educational Evaluations (IEEs) when a disagreement arises on the provision of special educational services. • Continue implementation of strong internal controls on contracted services, make the consequences clear for failing to follow them, and enforce those consequences. • Provide full transparency to the finance team and School Committee on the number and costs of out-of-district placements/settlements, while maintaining student confidentiality. • Adopt and follow federal requirements and best practices when procuring special education services. • Do not provide outside services until vendors are properly evaluated with Criminal Offender Record Information (CORI) checks and satisfy all other federal/internal requirements. • Maintain and review a list of active special education service providers with completed CORIs and use those vendors wherever possible instead of hiring new ones. • Review out-of-district placements yearly.	Implement the responses to the left.

How do PSB's financial or management practices compare to best practices for Massachusetts School districts? If PSB's practices depart from those best practices, what recommendations would you make to correct them?	Answers to this question, and the recommendations for resolving it, are contained in the responses to the other six questions.	
Are there material expenditures that were inappropriately or inaccurately charged to a particular PSB office during FY2024 or FY2025 that should have been charged to a different office or department's budget? If so, were such charges the result of error, intention, or policies or procedures governing allocation of costs across PSB operational units?	A disagreement on whether certain expenses were eligible for a recurring federal grant resulted in a delay in receiving that grant, and ran the risk of losing it altogether.	The student services and finance teams should work more closely together throughout the year, as it appears they are now, and start the process of identifying uses for recurring grant funding early. Formal procurement processes should be put in place to ensure federally-funded services comply with the requirements of federal procurement law.
What policies or procedures govern communication between the Office of Student Services and the Office of Administration & Finance? What additional policies or procedures, consistent with Massachusetts best practices, could be established to optimize communication between the two offices, and, by extension, OAF and any other PSB operational unit?	To the extent policies exist or have been developed, issues arose with them not being followed. The relationship between the two offices has since improved. Personal conflicts, a lack of institutional knowledge triggered by turnover (and additional turnover in turn triggered by the difficult environment), inappropriate segregation of duties, and the issues described above have led to serious ongoing difficulties in departmental operations.	Conduct a comprehensive Human Resources assessment, covering culture, processes, policies, procedures, and HR systems to evaluate regulatory compliance and controls in place to mitigate inherent risks and improve operations. Typically, this would include a detailed narrative report with findings, recommendations, and a roadmap for remediation. Ensure PSB follows clear policies, with consequences for failing to follow them, and active enforcement, including but not limited to policies for safeguarding confidential information. Implement a "whistleblower hotline."

TOWN OF BROOKLINE
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To: Town-School Partnership
Paul Healy, Chair, Audit Committee

From: Charles Carey, Town Administrator

Date: May 20, 2025

Subject: School Budget Deficit Review

Late on Friday, May 16, 2025, CliftonLarsonAllen ("CLA") transmitted the attached final deficit review to the Town of Brookline. CLA was engaged by the Select Board with support from the Town-School Partnership ("TSP") and School Committee to answer several critical questions about the Fiscal Year ("FY") 2025 and FY2026 budget and operational practices of the Public Schools of Brookline ("PSB"):

- What are the reason(s) for PSB's FY2025 cost overruns and projected FY2026 deficit?
- Are PSB's current or projected future deficits attributable in whole or in part to misfeasance, malfeasance, failure to follow established practices, or lack of appropriate controls?
- What caused delays, interruptions, or non-payment of special education services in both FY2024 and FY2025?
- What internal controls, processes, or procedures consistent with the best practices of Massachusetts public school systems could be established or modified to optimize or expedite PSB's fulfillment of its legal obligations under state and federal law related to students' rights?
- How do PSB's financial or management practices compare to best practices for Massachusetts School districts? If PSB's practices depart from those best practices, what recommendations would you make to correct them?
- Are there material expenditures that were inappropriately or inaccurately charged to a particular PSB office during FY2024 or FY2025 that should have been charged to a different office or department's budget? If so, were such charges the result of error, intention, or policies or procedures governing allocation of costs across PSB operational units?
- What policies or procedures govern communication between the Office of Student Services ("OSS") and the Office of Administration & Finance ("OAF")? What additional policies or procedures, consistent with Massachusetts best practices, could be established to optimize communication between the two offices, and, by extension, OAF and any other PSB operational unit?

Over the course of the past eight weeks, CLA has interviewed numerous PSB employees and had full access to the MUNIS financial system of record to identify findings that could help answer the above questions. In total, CLA made 11 findings. Because how those findings map onto the questions asked is complicated, the attached chart provides a plain-language answer to the questions and CLA's recommendations for further action.

At the outset, on a positive note, it is worth highlighting the actions already taken by PSB to correct some of the problems identified by CLA's review. The difference between how the FY25 and FY26 budgets were initially drafted, for example, is cited as a positive development in CLA's findings. So too is the recommitment to interdepartmental coordination and a reasonable timeline for providing mandated special education services by OSS. It's encouraging to see that, with a better working relationship between departments, some of the FY25 issues are not being repeated in FY26.

At the same time, as the CLA findings show, better working relationships are no substitute for strong, clear, and well-enforced policies that function appropriately regardless of the people in place. The findings state that, even when controls were put in place by OAF, they were ignored or overridden in several cases. According to CLA, the School Committee was not, until this year, meaningfully briefed on a crucial component of the overall special education budget. And in some cases, essential requirements for safety and confidentiality were bypassed without consequence. These are only some examples contained in the 11 findings of areas that warrant attention.

Some of the recommendations CLA makes are concrete and immediate. For example: bring in an independent third party when a disagreement arises on the provision of special educational services so that PSB can insulate itself from pressure to override controls meant to avoid settlements that go beyond the requirements of the data presented and a student's Individualized Education Program ("IEP"). Conduct a comprehensive Human Resources assessment, covering culture, processes, policies, procedures, and systems to evaluate regulatory compliance and controls in place to mitigate inherent risks and improve operations. These recommendations and more can form part of any Memorandum of Agreement ("MOA") that comes out of the constituent TSP bodies as a result of this review.

Other aspects of the findings will require deeper and more searching inquiries to correct. For example, the cause of the FY26 overages are as PSB has described them: enormous and unsustainable growth in general fund salary costs and special education expenses. It was against this backdrop that the School Committee made the hard choices of determining how to close the gap between its proposed budget and the available revenues.

Similarly, the broader cultural questions that underpin some of the allegations CLA received about a "hostile work environment" will require increased School Committee oversight and accountability. The School Committee should ensure its administrators provide it with the information needed to make programmatic and budgetary decisions, empower those administrators to run the educational operations of the district free from outside interference, and face the challenges before it in the coming months about how best to provide educational services when the current model is unsustainable. As occurred in North Andover, which last year

found itself in a similar situation, it may be beneficial to have the MOA offer training for the School Committee so that it can feel confident in moving forward with its crucial role in addressing these issues and asking the right questions of interim leadership.

There is a significant amount of information to digest in CLA's report, and many areas to follow up on. It is not a full audit, nor was it intended to be one. Instead, it was intended to give the TSP's constituent bodies enough information to begin addressing the thorny questions of how we arrived at the present situation, and how to get out of it, all while maintaining PSB's commitment to educational excellence and supporting its diverse student body.

I strongly suggest all interested parties read CLA's full report (not just the attached summary) so that the TSP can begin the conversations about what an MOA governing next steps looks like. I realize the School Committee's administrative leadership is in transition, but any such MOA would ideally serve as guidance, endorsed by the full Committee, to interim leadership about the short- and long-term corrective actions that need to be taken during their tenure.

The success of the schools is not a zero-sum game. Brookline thrives when its schools do, which is why it is critically important for all of the TSP's constituent bodies to provide support for the searching inquiries that will be necessary to help the schools continue to do so. I look forward to speaking with you at the next TSP meeting on the 22nd to discuss next steps.

END OF MAIN DOCUMENT

Enc: Summary Questions/Answers/Recommendations Chart
CLA Deficit Review Report

cc: Select Board
School Committee
Advisory Committee (via Lisa Portscher, Secretary)
Linus J. Guillory Jr., Ph.D., Superintendent of Schools
Susan K. Givens, Ed.D., Deputy Superintendent
Melissa Goff, Deputy Town Administrator

Memorandum of Agreement Between
the Town of Brookline and the Public Schools of Brookline

Whereas, the Public Schools of Brookline ("PSB") projected a final $1,943,064 million gap between the Superintendent's proposed FY26 budget and revenue available to PSB for that fiscal year;[1] and,

Whereas, all parties acknowledge that budget deficits of this kind cannot continue into future years, and recognize that closing the FY26 deficit has required the use of funds not available in FY27 and beyond; and,

Whereas, to assist PSB in analyzing what caused this deficit and how best to avoid it in the future, the Town procured and funded a contract with CliftonLarsonAllen ("CLA") out of its own budget, with the scope developed collaboratively through the Town-School Partnership ("TSP"); and,

Whereas, the report produced by CLA contained several recommendations for PSB.

The parties therefore agree as follows:

1. PSB will continue to provide quarterly budget updates to Brookline School Committee in public session. The report will continue to account for actual revenue and expenditures against the budget for the general fund and special funds for the year to date. A copy of this report shall be sent to the Town Administrator and Schools Subcommittee of the Advisory Committee after the meeting.

2. The Town and PSB will review their five-year revenue and expenditure projections with the Town-School Partnership prior to the Superintendent and Town Administrator releasing their financial plans for the subsequent fiscal year.

3. The Town and PSB will establish a working group to address business needs of the MUNIS enterprise-wide system including chart of accounts and reporting cleanup. The group will also address appropriate delegation of functions in the system. Once alignment on the chart of accounts is attained, the Town and PSB will review the viability of using the encumbrance feature in MUNIS universally and implement as appropriate..

4. PSB will continue to make certain to have written contracts for purchases and services over $10,000 and to bid all purchases and services over $100,000 in compliance with Mass. Gen Law Ch. 30B and Ch. 149. Further, PSB will continue to comply with the federal procurement requirements described in 2 CFR 200.318-326.

5. PSB will continue to send at least one employee to MCPPO training and to require all employees who are authorized to make purchases to attend a Public Procurement training that will be offered by the Town.

[1] This gap was closed by a reduction in the initial building maintenance budget, a set-aside of capital funding originally intended for the New Lincoln School Grounds project, and use of one-time state special education circuit breaker funding.

6. The School Committee will continue and complete its current review of PSB financial policies in the current fiscal year and publicly document any changes thereto as a result of that review by March 1, 2026.

7. PSB will assess all central office functions as part of its preparation for the FY27 budget process.

8. PSB will provide a Fall report about the Office of Student Services to the School Committee, which will include a review of related expenses as well as an overview of relevant legal requirements and oversight.

9. This agreement will sunset September 30, 2026.

TO: School Finance and Capital Subcommittee
Bella Wong, Superintendent of Schools

FROM: Susan Givens, Ed.D., Deputy Superintendent, Office of Administration and Finance

DATE: November 13, 2025

RE: **FY26 Financial Report, Quarter 1**

This report includes three documents that provide a snapshot of the financial position of PSB through the end of the first quarter of the fiscal year. The first two reports provide insight into the status of the general fund operating budget. The third report provides information on special revenue funds that support the financial plan for our educational programs. The financial reports include footnotes to explain variances. The narrative below provides a summary of highlights for the quarter along with areas that are being monitored closely.

Overall spending is on target with the financial plan approved for the year. At the end of this quarter, $4,339,575 is left unencumbered representing 3.04% of the general fund operating budget. The unencumbered balance is similar to last year's balance at this time.

General Fund Operating Budget - Salary Highlights

All known salary obligations are encumbered. At this time, salaries are running under budget by $437,411 or .35%. This variance is primarily due to the conscientious efforts of administrators who hired staff at or below the budget placeholder salary during the hiring season.

Eight (8) FTE in new positions were added during the first quarter; 1.8 were funded using extra sections and 6.2 were funded by eliminating/realigning other positions. This leaves 3.2 professional staff sections plus 2 paraprofessional FTE available to address any student needs that arise over the remainder of the school year. It is important to note that the need for additional support increases as the year progresses and therefore, the remaining FTE will likely be used by the end of the year.

The summer ESY program salaries were over budget by $29,908; however, the Project Discovery summer program salaries were under budget by $38,140. Though the ESY program is funded by the IDEA grant, any costs that exceed a grant allocation must be funded via the operating budget. This deficit is mitigated by the lower cost of Project Discovery.

The Title I grant allocation this year was higher than anticipated allowing us to shift some staff from the operating budget to the grant ($105,355). This windfall was offset by literacy curriculum and professional development costs that did not qualify for funding through the IDEA grant ($100,000) as originally planned when the general fund budget was finalized. The literacy costs from the IDEA grant that moved to the general fund are offset by the savings acquired by shifting some of the general fund salaries to the Title I grant.

General Fund Operating Budget - Non Salary Highlights

Non-salary expenses represent a very small portion of the overall operating budget; 12.5% ($17,780,793). The majority of these expenses ($9,634,606 or 54%) fall into two categories; special education tuition and transportation. The remaining non salary budgets fund all other expenses including supplies, services, resources, field trips, etc. for the classroom, professional development, mileage reimbursement and LTD insurance for staff, and operational expenses such as licenses for standard administrative tools (Blackboard, ASPEN, Zoom, etc.), banking fees, attorney fees, etc. The largest portion of our unencumbered balance ($3,902,166) is in non-salary expenses (21.88%). These expenses and encumbrances increase as the year progresses as materials and services are needed.

The district is obligated to provide staff opportunities to earn PDPs to maintain their DESE licensure and to ensure all staff receive mandatory training. Funds for Education/Training/Conferences that support these activities were cut substantially during the budget process. Some essential staff training and curriculum development work was inadvertently cut from the budget. The deficit of $39,566 in this area represents the cost for this work.

Though transportation appears slightly under budget in this report ($36,320), the elementary shuttle that was added in September to reduce the length of the route is not encumbered ($35,000). Also, there is a significant increase in the McKenny Vento student population. We are evaluating the possibility of cost sharing some of these expenses with other districts to help mitigate the impact on our transportation budget. The total impact of this will be captured in the Q2 report.

The copier leases which are an OTL expense but managed by the operations department did not get included in either office's budget. The leases are $240,000 and obviously must be funded. The positive variance in the salary accounts will be transferred to pay for the copier leases at the close of the year.

Special Revenue Funds

The special revenue fund report provides insight into financial activity related to the grants and revolving funds that support our programs. As mentioned in the FY25 Q4 report, twenty one (21) prior year grants have been closed which means that Federal grant spending is now current. The three FY24 grants (Title I, Title III, and IDEA) ended August 30th and final reports are due this month. All FY26 Federal grants were submitted and approved prior to the start of the fiscal year and all related expenses are aligned accordingly.

There are two noteworthy highlights in the revolving fund area. The BA&CE program closed in deficit (est. $30,531) and the final expenses will need to be funded through the operating budget. On the brighter side, the District received $607,145 in unanticipated Circuit Breaker revenue in July when the state increased the reimbursement rate for FY25 transportation. This

additional revenue will offset a portion of the FY27 CB revenue loss that was leveraged to fund the structural deficit this year.

Finally, to improve the speed and accuracy of posting revenue for the school department, the Town has requested that this function be shifted from the Town to the School finance department. We are looking closely at how to restructure the department to accommodate this request.

Summary

In summary, areas where there are budgetary shortfalls are offset by other areas where we are trending favorably. We received $607,145 in additional Circuit Breaker (CB) revenue that will help close the CB revenue gap in FY27.

Public Schools of Brookline

FY26 General Fund Financial Report - Line Item, 1st Quarter

September 30, 2025

Line Item	Budget	YTD Exp.	Encumb.	Variance	Footnote
Leadership	6,807,358	1,328,136	5,314,492	164,730	3,8
Management	4,547,430	498,211	4,062,615	(13,396)	3
Professional Staff	88,301,816	8,343,965	79,719,161	238,690	1, 3, 10
Administrative Support	5,805,310	1,103,003	4,608,137	94,170	3, 4
Paraprofessionals	13,008,969	1,287,231	11,690,494	31,244	1, 2, 3
Substitutes	1,404,000	61,877	1,342,123	0	
Custodians	3,064,189	691,741	2,373,399	(951)	
Summer Programs/Interns	366,650	169,710	175,634	21,306	5, 9
Stipends/Extra Comp	1,706,076	283,741	1,520,717	(98,382)	6
Salary Subtotal	*125,011,798*	*13,767,615*	*110,806,772*	*437,411*	*0.35%*
Claims & Settlements	1,423,679	17,977	553,820	851,882	
Education/Training/Conferences	78,998	71,290	47,274	(39,566)	7
Instructional Equipment	5,185	2,083	0	3,102	
General Supplies	1,718,691	463,992	448,017	806,682	
Insurance/Annuity	52,000	9,094	0	42,906	
IT Infrastructure Equipment	68,480	0	38,283	30,197	
Leased Computers	853,135	680,785	6,540	165,810	
Legal Services	360,000	38,271	183,979	137,750	
Mileage	25,276	227	13,173	11,876	
Online Books, Subscriptions & Tools	1,296,151	645,336	227,336	423,479	
Out of District Tuition	2,968,628	786,654	2,181,974	0	
Professional/Technical Services	2,948,406	601,824	1,472,414	874,168	8
Purchased Computers	50,800	0	0	50,800	
Student Activities & Field Trips	81,620	3,111	43,375	35,134	
Textbooks & Print Materials	602,126	50,781	79,719	471,626	12
Transportation	5,247,618	64,673	5,146,625	36,320	11
Non-Salary (Operating) Subtotal	*17,780,793*	*3,436,098*	*10,442,530*	*3,902,166*	*21.88%*
Grand Total	**142,792,591**	**17,203,713**	**121,249,301**	**4,339,575**	**3.04%**

Footnotes

1. New position added from extra sections
2. All but 2 PT BEEP paras transitioned to FT per MOA with BEU
3. Breakage: Difference between budgeted salary for a position and the actual salary. Theses variations occur when a position is temporarily unfilled or the salary of a new hire is different than the salary in the budget.
4. Reallocation of an operating expense to a special revenue fund.
5. ESY summer program exceeded the IDEA grant allocation for staff wages.
6. Literacy program curriculum and professional development shifted from IDEA, CCEIS to operating budget per DESE
7. Essential staff training or curriulum development projects inadvertantly cut from the budget.
8. Reallocated funds from Superintendent's salary budget to professional services to address culture and climate and other concerns raised in CLA report.
9. OTL Summer program wages underbudget
10. LOA Coverage
11. The elementary shuttle bus that was added to reduce route length of the route is not encumbered ($35,000)
12. Textbooks miscoded to General Supplies line, adjustment underway

Public Schools of Brookline

FY26 General Fund Financial Report, 1st Quarter - Cost Center

September 30, 2025

Superintendent + SC	Account	Budget	YTD Spent	Encumbrances	Variance	Footnote
	Salary	577,271	188,228	339,444	-1	8
	Operating	46,150	15,332	7,358	73,060	8
Superintendent + SC Total		623,421	203,560	346,803	73,059	

Administration and Finance	Account	Budget	YTD Spent	Encumbrances	Variance	
	Salary	6,325,218	1,407,471	4,798,636	119,111	1, 3
	Operating	3,676,118	1,381,525	1,539,548	755,045	11
Administration and Finance Total		10,001,336	2,788,996	6,338,185	874,156	

Student Services	Account	Budget	YTD Spent	Encumbrances	Variance	
	Salary	3,075,641	723,271	2,399,710	-47,340	3, 5
	Operating	10,950,140	964,126	8,177,327	1,808,687	
Student Services Total		14,025,781	1,687,396	10,577,037	1,761,347	

Teaching and Learning	Account	Budget	YTD Spent	Encumbrances	Variance	
	Salary	4,460,489	703,397	3,721,575	35,517	3, 4, 6, 9
	Operating	505,594	338,756	97,401	69,437	
Teaching and Learning Total		4,966,083	1,042,154	3,818,975	104,954	

Brookline Early Education	Account	Budget	YTD Spent	Encumbrances	Variance	
	Salary	3,674,667	246,508	3,564,173	-136,014	2, 10
	Operating	89,975	3,825	12,782	73,368	
Brookline Early Education Total		3,764,642	250,333	3,576,955	-62,646	

Baker	Account	Budget	YTD Spent	Encumbrances	Variance	
	Salary	9,830,149	940,195	8,818,989	70,965	3, 4
	Operating	209,643	45,727	45,671	118,245	
Baker Total		10,039,792	985,922	8,864,660	189,210	

Driscoll	Account	Budget	YTD Spent	Encumbrances	Variance	
	Salary	7,729,055	762,875	7,011,279	-45,099	1, 3
	Operating	169,896	43,652	28,686	97,558	
Driscoll Total		7,898,951	806,528	7,039,965	52,459	

Hayes	Account	Budget	YTD Spent	Encumbrances	Variance	
	Salary	7,387,487	704,556	6,725,091	-42,160	1, 3
	Operating	153,455	34,369	26,440	92,646	
Hayes Total		7,540,942	738,925	6,751,531	50,486	

Lawrence	Account	Budget	YTD Spent	Encumbrances	Variance	
	Salary	8,546,276	824,518	7,680,053	41,705	3
	Operating	216,262	46,829	40,020	129,413	
Lawrence Total		8,762,538	871,348	7,720,072	171,118	

Lincoln	Account	Budget	YTD Spent	Encumbrances	Variance	
	Salary	9,136,884	850,276	8,228,293	58,315	1, 3
	Operating	165,290	49,989	27,099	88,202	
Lincoln Total		9,302,174	900,265	8,255,392	146,517	

Pierce	Account	Budget	YTD Spent	Encumbrances	Variance	
	Salary	9,501,919	918,884	8,630,592	-47,557	1, 3
	Operating	189,860	46,030	41,419	102,411	
Pierce Total		9,691,779	964,914	8,672,011	54,854	

Ridley	Account	Budget	YTD Spent	Encumbrances	Variance	
	Salary	12,714,742	1,200,813	11,250,110	263,819	3
	Operating	236,561	64,553	57,305	114,703	
FRR Total		12,951,303	1,265,366	11,307,415	378,522	

Runkle	Account	Budget	YTD Spent	Encumbrances	Variance	
	Salary	9,678,882	916,255	8,677,482	85,145	3
	Operating	150,266	45,469	22,181	82,617	
Runkle Total		9,829,148	961,724	8,699,663	167,762	

BHS	Account	Budget	YTD Spent	Encumbrances	Variance	
	Salary	32,373,118	3,380,367	28,961,348	31,403	1, 3
	Operating	1,021,583	355,916	319,293	346,374	
BHS Total		33,394,701	3,736,283	29,280,640	377,777	

Grand Total	Account	Budget	YTD Spent	Encumbrances	Variance
	Salary	125,011,798	13,767,615	110,806,774	387,809
	Operating	17,780,793	3,436,098	10,442,530	3,951,766
		142,792,591	**17,203,713**	**121,249,304**	**4,339,575**

Footnotes

1. New position added from extra sections
2. All but 2 PT SEEP paras transitioned to FT per MOA with SEU
3. Breakage: Difference between budgeted salary for a position and the actual salary. These variations occur when a position is temporarily unfilled or the salary of a new hire is different than the salary in the budget.
4. Reallocation of an operating expense to a special revenue fund.
5. SSY summer program exceeded the IDEA grant allocation for staff wages.
6. Literacy program curriculum and professional development shifted from IDEA, CCEIS to operating budget per DEED
7. Essential staff training or curriculum development projects inadvertently cut from the budget
8. Reallocated funds from Superintendent's salary budget to professional services to address culture and climate and other concerns raised in CLA report.
9. GTL Summer program wages underbudget
10. LCM Coverage
11. The elementary shuttle bus that was added to reduce route length of the route is not encumbered ($35,000)
12. Textbooks reallocated to General Supplies line, adjustment underway

Public Schools of Brookline

FY26 Financial Report - Special Revenue Funds, 1st Quarter

September 30, 2025

Federal Grants						
FY24 Title I	**Budget**	**Adj. Budget**	**Rece'd/Spent**	**Encumbered**	**Variance**	**Footnote**
Revenue	61,832	-	-	61,832	-	13
Expense	32,376	-	3,256	28,801	319	14
FY25 Title I						
Revenue	87,098	-	51,210	35,888	-	13
Expense	28,820	-	-	28,820	-	
FY26 Title I						
Revenue	734,413	-	-	734,413	-	
Expense	734,413	-	73,288	345,570	315,555	
FY25 Title IIA						
Revenue	91,968	-	54,707	37,261	-	13
Expense	23,253	-	6,794	9,753	6,705	
FY26 Title IIA						
Revenue	135,321	-	-	135,321	-	
Expense	135,321	-	-	-	135,321	
FY24 Title III						
Revenue	41,042	-	2,179	38,862	-	13
Expense	4,467	-	4,467	-	-	
FY25 Title III						
Revenue	121,773	-	3,876	117,898	-	
Expense	117,802	-	68,598	27	49,177	

Federal Grants - Continued						
FY26 Title III	**Budget**	**Adj. Budget**	**Rece'd/Spent**	**Encumbered**	**Variance**	**Footnote**
Revenue	117,330	-	-	117,330	-	
Expense	117,330	-	-	99,659	17,671	
FY25 Title IV						
Revenue	35,255	-	2,272	32,984	-	
Expense	32,850	-	178	31,633	1,039	14
FY26 Title IV						
Revenue	24,475	-	-	24,475	-	
Expense	24,475	-	-	-	24,475	
FY24 IDEA						
Revenue	516,448	-	-	516,448	-	
Expense	89,950	-	17,951	72,000	-	14
FY25 IDEA						
Revenue	1,572,063	-	211,019	1,361,045	-	
Expense	1,139,086	-	584,902	26,448	527,736	
FY26 IDEA						
Revenue	2,320,928	-	-	2,320,928	-	
Expense	2,320,928	-	120,803	1,755,328	444,797	
FY25 IDEA - EC						
Revenue	40,525	-	30,683	9,842	-	
Expense	9,842	-	1,866		7,976	
FY26 IDEA - EC						
Revenue	40,392	-	-	40,392	-	
Expense	40,392	-	-	34,126	6,266	

Federal Grants - Continued

FY26 Perkins	Budget	Adj. Budget	Rece'd/Spent	Encumbered	Variance	Footnote
Revenue	73,278	-	-	73,278	-	
Expense	73,278	-	-	-	73,278	

State Grants

FY26 METCO	Budget	Adj. Budget	Rece'd/Spent	Encumbered	Variance	Footnote
Revenue	2,387,684	-	-	2,387,684	-	
Expense	2,387,684	-	241,583	1,654,445	491,656	
FY26 METCO (PAC)						
Revenue	25,784	-	-	25,784	-	
Expense	25,784	-	15,840	9,308	636	
FY26 Enhanced School Health						
Revenue	90,000	-	-	90,000	-	
Expense	90,000	-	8,935	29,678	51,386	
FY26 Coord. Family & Com. Egage						
Revenue	139,874	-	-	139,874	-	
Expense	139,874	-	12,011	114,073	13,790	
FY25 Civics Teaching/Learning						
Revenue	30,967	-	-	30,967	-	
Expense	28,803	-	10,830	3,070	14,903	
FY26 PRISM III						
Revenue	207,072	257,072	-	204,248	52,824	
Expense	207,072	257,072	152,056	52,192	52,824	14
FY26 Genocide Education						
Revenue	70,000	-	-	70,000	-	
Expense	70,000	-	7,374	-	62,626	

Revolving Funds						
Circuit Breaker	**Budget**	**Adj. Budget**	**Rece'd/Spent**	**Encumbered**	**Variance**	**Footnote**
Revenue	4,258,609	4,865,754	607,145	4,258,609	-	15
Expense	6,201,672	-	635,717	4,700,567	865,387	16
Food Service						
Revenue	4,649,498	-	208,368	4,441,130	-	
Expense	4,630,175	-	509,688	2,681,798	1,438,690	
BEEP						
Revenue	3,740,740	-	1,282,007	2,458,733	-	
Expense	3,597,660	-	416,361	3,178,536	2,763	
BA&CE						
Revenue	13,866	157,192	143,326	-	-	
Expense	13,866	157,192	183,162	4,561	(30,531)	17
Non-Res.Tuition - Material Fees						
Revenue	675,185	-	103,467	571,718	-	
Expense	676,286	-	64,515	613,884	(2,113)	
Athletics						
Revenue	455,000	-	125,597	329,403	-	
Expense	455,000	-	81,536	68,941	304,523	
Use of Facility						
Revenue	314,415	-	44,141	270,274	-	
Expense	293,522	-	43,415	256,305	-	
HS Resteraunt						
Revenue	130,000	-	293	129,708	(1)	
Expense	152,983	-	15,658	77,451	59,874	

Footnotes
13. Anticipated revenue is higher because we have not received reimbursement from prior year expenses
14. Grant has closed, final reports are in the process of being completed for submission
15. FY25 EOY CB adjustment to transportation reimbursement in the amount of $607,145; funds received in July
16. Pending placements have not been encumbered
17. Estimated SASCE deficit expenses to be transfered to the general fund after final invoices are paid

TO: School Finance and Capital Subcommittee
Bella Wong, Superintendent of Schools

FROM: Susan Givens, Ed.D., Deputy Superintendent, Office of Administration and Finance

DATE: January 13, 2025

RE: **FY26 Financial Report, Quarter 2**

This report includes three documents that provide a snapshot of the financial position of PSB through the end of the second quarter of the fiscal year. The first two reports provide insight into the status of the general fund operating budget. The third report provides information on special revenue funds that support the financial plan for our educational programs. The financial reports include footnotes to explain variances. The narrative below provides a summary of highlights for the quarter along with areas that are being monitored closely.

Overall spending is on target with the financial plan approved for the year. At the end of this quarter, $3,560,474 is left unencumbered, representing 2.49% of the general fund operating budget. This balance is higher than this time last year because there is no salary deficit.

General Fund Operating Budget - Salary Highlights

All known salary obligations are encumbered. At this time, salaries are running under budget by $787,292 or 0.63%. This variance is due to the conscientious efforts of administrators who hired staff at or below the budget placeholder salary during the hiring season and unfilled positions.

Fourteen (14.2) FTE in new positions were added during the first two quarters; 5.2 were funded by eliminating/realigning positions; 2 were grant funded, and 7 were funded using extra sections. This leaves 1 professional staff FTE section (or 2 para FTE) available to address any student needs that arise during the remainder of the school year.

As noted in the Q1 report in November, the summer ESY program salaries were over budget by $29,908; however, the Project Discovery summer program salaries were under budget by $38,140. Though the ESY program is funded by the IDEA grant, any costs that exceed a grant allocation must be funded via the operating budget. This deficit is mitigated by the lower cost of Project Discovery.

The Title I grant allocation this year was higher than anticipated, allowing us to shift some staff from the operating budget to the grant ($105,355). This windfall was offset by literacy curriculum and professional development costs that did not qualify for funding through the IDEA grant ($100,000) as originally planned when the general fund budget was finalized. The literacy costs from the IDEA grant that were moved to the general fund are offset by the savings acquired by shifting some of the general fund salaries to the Title I grant.

General Fund Operating Budget - Non-Salary Highlights

Non-salary expenses represent a very small portion of the overall operating budget: 12.5% ($17,780,793). The majority of these expenses ($9,634,606 or 54%) fall into two categories: special education tuition and transportation. The remaining non salary budgets fund all other expenses including supplies, services, resources, field trips, etc. for the classroom, professional development, mileage reimbursement and LTD insurance for staff, and operational expenses such as licenses for standard administrative tools (Blackboard, ASPEN, Zoom, etc.), banking fees, attorney fees, etc. The largest portion of our unencumbered balance ($2,773,182) is in non-salary expenses. These expenses and encumbrances increase as the year progresses as materials and services are needed.

The district is obligated to provide staff opportunities to earn PDPs to maintain their DESE licensure and to ensure all staff receive mandatory training. Funds for Education/Training/ Conferences that support these activities were cut substantially during the budget process. Some essential staff training and curriculum development work was inadvertently cut from the budget. The deficit of $57,574 in this area represents the cost for this work.

The deficit in the Transportation area is driven by three factors; 1) the elementary shuttle that was added in September to reduce the length of the route is not encumbered ($35,000); 2) a significant increase in the McKinney-Vento student population ($62,000); and 3) underfunding of special education transportation in the current year ($270,503).

The copier leases, which are an OTL expense, but managed by the operations department did not get included in either office's budget. The leases are $240,000 and must be funded. Expenses in the OSS budget for Health Services professional services were budgeted twice ($450,000). The positive variance associated with double counting Health Services expenses will be transferred to pay for the copier leases.

Special Revenue Funds

The special revenue fund report provides insight into financial activity related to the grants and revolving funds that support our programs. As mentioned in the FY25 Q4 report, twenty-one (21) prior year grants have been closed which means that Federal grant spending is now current. During Q2 the following special revenue funds were closed: FY24 Title I, FY24 Title III, FY24 IDEA, FY26 PRISM and the BA&CE Revolving Fund. All FY26 Federal grants were submitted and approved prior to the start of the fiscal year and all related expenses are aligned accordingly.

Revenue projections and related budgets for fee-based programs have been updated (BEEP, Athletics, Use of Facility, and Circuit Breaker) to reflect mid-year trends. There are several noteworthy highlights in the revolving fund area.

The BA&CE program closed in deficit (est. $30,531) and the final unfunded expenses have been paid through the operating budget.

BEEP's revenue estimate for the year has been lowered by $189,178 to reflect fewer program seats available after classroom consolidations were implemented this year. Expenses charged against the fund are higher as well. At this time, the variance between revenue and expense is -$105,286. The fund balance in the revolving fund is sufficient to absorb this variance.

The District received $607,145 in unanticipated Circuit Breaker revenue in July when the state increased the reimbursement rate for FY25 transportation. In addition, our FY26 reimbursements are higher than anticipated by $810,279. This additional revenue ($1,417,424) will offset a significant portion of the $1,943,063 structural deficit this year.

Summary

In summary, areas where there are budgetary shortfalls are offset by other areas where we are trending favorably. We will receive $1,417,424 in additional Circuit Breaker (CB) revenue this year that will reduce the gap to $525,639. The positive variance in the salary budgets is likely to remain true to the end of the year and are sufficient at this time to close the remaining funding gap for FY26.

Public Schools of Brookline

FY26 General Fund Financial Report, 2nd Quarter - Cost Center

December 31, 2025

Superintendent + SC	Account	Budget	YTD Spent	Encumbrances	Variance	Footnote
	Salary	577,271	341,657	232,515	3,099	8
	Operating	46,150	37,783	5,928	2,439	8
Superintendent + SC Total		623,421	379,440	238,443	5,538	

Administration and Finance	Account	Budget	YTD Spent	Encumbrances	Variance	
	Salary	6,325,218	2,950,949	3,214,999	159,270	1, 3
	Operating	3,676,118	2,102,486	1,014,181	559,450	14, 15
Administration and Finance Total		10,001,336	5,053,435	4,229,180	718,720	

Student Services	Account	Budget	YTD Spent	Encumbrances	Variance	
	Salary	3,075,641	1,507,362	1,631,454	-63,175	3, 5
	Operating	10,950,140	4,180,201	5,544,795	1,225,143	11, 12
Student Services Total		14,025,781	5,687,563	7,176,250	1,161,968	

Teaching and Learning	Account	Budget	YTD Spent	Encumbrances	Variance	
	Salary	4,460,489	2,198,688	2,226,284	35,517	3, 4, 6, 9
	Operating	505,594	388,451	60,881	54,923	12, 13
Teaching and Learning Total		4,966,083	2,587,138	2,287,165	90,440	

Brookline Early Education	Account	Budget	YTD Spent	Encumbrances	Variance	
	Salary	3,674,667	1,592,327	2,186,006	-103,666	2, 3,10
	Operating	89,975	16,660	607	72,708	
Brookline Early Education Total		3,764,642	1,608,987	2,186,613	-30,958	

Baker	Account	Budget	YTD Spent	Encumbrances	Variance	
	Salary	9,830,149	4,151,026	5,587,955	91,168	1, 3, 4
	Operating	209,643	89,621	28,756	91,266	
Baker Total		10,039,792	4,240,647	5,616,711	182,434	

Driscoll	Account	Budget	YTD Spent	Encumbrances	Variance	
	Salary	7,729,055	3,296,285	4,481,149	-48,379	1, 3
	Operating	169,896	75,367	23,520	71,008	
Driscoll Total		7,898,951	3,371,652	4,504,670	22,629	

Hayes	Account	Budget	YTD Spent	Encumbrances	Variance	
	Salary	7,387,487	3,066,271	4,316,116	5,100	1, 3
	Operating	153,455	66,788	15,264	71,403	
Hayes Total		7,540,942	3,133,059	4,331,380	76,503	

Lawrence	Account	Budget	YTD Spent	Encumbrances	Variance	
	Salary	8,546,276	3,671,872	4,783,626	90,778	3
	Operating	216,262	91,180	22,584	102,498	
Lawrence Total		8,762,538	3,763,052	4,806,210	193,276	

Public Schools of Brookline

FY26 General Fund Financial Report, 2nd Quarter - Cost Center (continued)

December 31, 2025

Lincoln	Account	Budget	YTD Spent	Encumbrances	Variance	
	Salary	9,136,884	3,813,398	5,152,651	170,835	1, 3
	Operating	165,290	83,958	16,705	64,627	
Lincoln Total		9,302,174	3,897,356	5,169,356	235,462	

Pierce	Account	Budget	YTD Spent	Encumbrances	Variance	
	Salary	9,501,919	4,065,982	5,450,571	-14,634	1, 3
	Operating	189,860	88,308	26,780	74,771	
Pierce Total		9,691,779	4,154,291	5,477,351	60,137	

Ridley	Account	Budget	YTD Spent	Encumbrances	Variance	
	Salary	12,714,742	5,326,272	7,069,584	318,886	3
	Operating	236,561	117,965	38,434	80,162	
FRR Total		12,951,303	5,444,237	7,108,018	399,048	

Runkle	Account	Budget	YTD Spent	Encumbrances	Variance	
	Salary	9,678,882	4,131,512	5,455,107	92,263	1, 3
	Operating	150,266	73,813	23,074	53,379	
Runkle Total		9,829,148	4,205,325	5,478,181	145,642	

BHS	Account	Budget	YTD Spent	Encumbrances	Variance	
	Salary	32,373,118	14,104,852	18,218,037	50,230	1, 3
	Operating	1,021,583	617,807	205,312	199,804	
BHS Total		33,394,701	14,722,658	18,423,349	250,034	

Grand Total	Account	Budget	YTD Spent	Encumbrances	Variance
	Salary	125,011,798	54,218,451	70,006,055	787,292
	Operating	17,780,793	8,030,388	7,026,823	2,723,581
		142,792,591	**62,248,840**	**77,032,877**	**3,510,873**

Footnotes

1. New position added from extra sections
2. All but 2 PT BEEP paras transitioned to FT per MOA with BEU
3. Breakage: Difference between budgeted salary for a position and the actual salary. Theses variations occur when a position is temporarily unfilled or the salary of a new hire is different than the salary in the budget.
4. Reallocation of an operating expense to a special revenue fund.
5. ESY summer program exceeded the IDEA grant allocation for staff wages.
6. Literacy program curriculum and professional development shifted from IDEA, CCEIS to operating budget per DESE
7. Essential staff training or curriulum development projects inadvertantly cut from the budget.
8. Reallocated funds from Superintendent's salary budget to professional services to address culture and climate and other concerns raised in CLA report.
9. OTL Summer program wages underbudget
10. LOA Coverage
11. Misalignment between tuition charged to Claims and Settlements versus OOD Tuition lines, adjustments underway.
12. Approximtely $450,000 in Professional/Technical Services were double budgeted in the OSS districtwide cost center and $240,000 was unbudgeted for copier leases. Transfers between the two Cost Centers are underway.
13. Textbooks miscoded to General Supplies line, adjustment underway.
14. A Lawrence school shuttle bus was added in September to reduce route length.
15. Transportation for special education was underfunded in the FY26 budget and there is a significant increase in McKinney Vento students eligibile for transportation.

Public Schools of Brookline

FY26 General Fund Financial Report - Line Item, 2nd Quarter

December 31, 2025

Line Item	Budget	YTD Exp.	Encumb.	Variance	Footnote
Leadership	6,807,358	3,149,491	3,489,285	168,582	3,8
Management	4,547,430	2,006,970	2,552,751	(12,291)	3
Professional Staff	88,301,816	38,024,369	49,716,723	560,724	1, 3, 10
Administrative Support	5,805,310	2,535,078	3,182,823	87,409	3, 4
Paraprofessionals	13,008,969	5,642,952	7,305,122	60,895	1, 2, 3
Substitutes	1,404,000	411,078	992,922	0	
Custodians	3,064,189	1,505,208	1,559,932	(951)	
Summer Programs/Interns	366,650	219,631	125,713	21,306	5, 9
Stipends/Extra Comp	1,706,076	723,675	1,080,783	(98,382)	6
Salary Subtotal	*125,011,798*	*54,218,451*	*70,006,055*	*787,292*	*0.63%*
Claims & Settlements	1,423,679	185,592	402,875	835,211	11
Education/Training/Conferences	78,998	115,563	32,349	(57,574)	7
Instructional Equipment	5,185	2,083	0	3,102	
General Supplies	1,718,691	854,327	329,622	534,742	
Insurance/Annuity	52,000	19,436	0	32,564	
IT Infrastructure Equipment	68,480	38,578	0	29,902	
Leased Computers	853,135	687,259	0	165,876	
Legal Services	360,000	120,029	106,221	133,750	
Mileage	25,276	2,227	14,123	8,926	
Online Books, Subscriptions & Tools	1,296,151	920,770	144,702	230,678	
Out of District Tuition	2,968,628	1,588,115	1,275,213	105,299	11
Professional/Technical Services	2,948,406	1,138,789	1,205,803	532,074	8, 12
Purchased Computers	50,800	0	0	50,800	
Student Activities & Field Trips	81,620	40,424	38,887	122,309	
Textbooks & Print Materials	602,126	139,818	39,283	413,026	13
Transportation	5,247,618	2,177,377	3,437,744	(367,503)	14, 15
Non-Salary (Operating) Subtotal	*17,780,793*	*8,030,388*	*7,026,823*	*2,773,182*	*15.60%*
Grand Total	**142,792,591**	**62,248,840**	**77,032,877**	**3,560,474**	**2.49%**

Footnotes

1. New position added from extra sections
2. All but 2 PT BEEP paras transitioned to FT per MOA with BEU
3. Breakage: Difference between budgeted salary for a position and the actual salary. These variations occur when a position is temporarily unfilled or the salary of a new hire is different from the salary in the budget.
4. Reallocation of an operating expense to a special revenue fund.
5. ESY summer program exceeded the IDEA grant allocation for staff wages.
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13. Textbooks miscoded to General Supplies line, adjustment underway.
14. A Lawrence school shuttle bus was added in September to reduce route length.
15. Transportation for special education was underfunded in the FY26 budget and there is a significant increase in McKinney Vento students eligible for transportation.

Public Schools of Brookline

FY26 Financial Report - Special Revenue Funds, 2nd Quarter

December 31, 2025

Federal Grants						
FY25 Title I	**Budget**		**Rece'd/Spent**	**Encumbered**	**Variance**	**Footnote**
Revenue	87,098	-	55,572	31,526	-	
Expense	28,820	-	168	31,521	(2,869)	
FY26 Title I						
Revenue	734,413	-	102,209	632,205	-	
Expense	734,413	-	152,115	318,484	263,814	
FY25 Title IIA						
Revenue	91,968	-	89,862	2,106	-	
Expense	23,253	-	21,147	2,106	-	
FY26 Title IIA						
Revenue	135,321	-	-	135,321	-	
Expense	135,321	-	-	15,694	119,627	
FY25 Title III						
Revenue	121,773	-	79,661	42,113	-	
Expense	117,802	-	78,806	-	38,995	
FY26 Title III						
Revenue	117,330	-	-	117,330	-	
Expense	117,330	-	-	99,659	17,671	
FY25 Title IV						
Revenue	35,255	-	32,847	2,408	-	
Expense	32,850	-	30,442	1,408	1,000	
FY26 Title IV						
Revenue	24,475	-	-	24,475	-	
Expense	24,475	-	-	-	24,475	
FY25 IDEA						
Revenue	1,572,063	-	211,019	1,361,045	-	
Expense	1,139,086	-	806,913	109,089	223,084	
FY26 IDEA						
Revenue	2,320,928	-	-	2,320,928	-	
Expense	2,320,928	-	416,047	1,342,338	562,544	
FY25 IDEA - EC						
Revenue	40,525	-	30,683	9,842	-	
Expense	9,842	-	3,860	-	5,982	
FY26 IDEA - EC						
Revenue	40,392	-	-	40,392	-	
Expense	40,392	-	13,508	26,884	-	

Federal Grants Continued						
FY26 Perkins	**Budget**		**Rece'd/Spent**	**Encumbered**	**Variance**	**Footnote**
Revenue	73,278	-	23,294	49,984	-	
Expense	73,278	-	32,311	21,199	19,769	

State Grants						
FY26 METCO	**Budget**		**Rece'd/Spent**	**Encumbered**	**Variance**	**Footnote**
Revenue	2,387,684	-	766,159	1,621,525	-	
Expense	2,387,684	-	975,146	1,267,475	145,062	
FY26 METCO (PAC)						
Revenue	25,784	-	25,148	636	-	
Expense	25,784	-	25,148	-	636	
FY26 Enhanced School Health						
Revenue	90,000	-	45,000	45,000	-	
Expense	90,000	-	33,513	11,622	44,865	
FY26 Coord. Family & Comm. Engagement						
Revenue	139,874	-	48,853	91,021	-	
Expense	139,874	-	56,140	74,147	9,587	
FY25 Civics Teaching/Learning						
Revenue	30,967	-	15,188	15,779	-	
Expense	28,803	-	14,302	2,800	11,701	
FY26 Genocide Education						
Revenue	70,000	-	18,317	51,683	-	
Expense	70,000	-	19,058	9,000	41,942	

Revolving Funds						
Circuit Breaker	**Budget**	**Adj. Budget**	**Rece'd/Spent**	**Encumbered**	**Variance**	**Footnote**
Revenue	4,258,609	5,676,033	3,141,589	2,534,444	-	17, 18
Expense	6,201,672	6,201,672	2,104,407	3,882,965	214,300	16
Food Service						
Revenue	4,649,498	-	1,094,759	3,554,739	-	
Expense	4,630,175	-	1,478,638	2,115,969	1,035,568	
BEEP						
Revenue	3,740,740	3,551,562	1,811,697	1,739,865	-	
Expense	3,597,660	3,656,848	1,595,009	2,061,838	-	19
Non-Res.Tuition - Material Fees						
Revenue	675,185	669,872	321,664	348,208	-	
Expense	676,286	678,399	287,941	390,458	-	20
Athletics						
Revenue	455,000	645,840	284,409	361,431	-	
Expense	455,000	745,840	175,338	130,762	439,740	21

Revolving Funds Continued						
Use of Facility	**Budget**	**Adj. Budget**	**Rece'd/Spent**	**Encumbered**	**Variance**	**Footnote**
Revenue	314,415	331,000	155,349	175,651	-	
Expense	293,522	305,000	84,144	216,968	3,888	
HS Restaurant						
Revenue	130,000	-	34,367	95,633	-	
Expense	152,983	-	12,500	11,249	129,234	

Footnotes

16. Pending placements have not been encumbered.
17. FY25 EOY CB adjustment to transportation reimbursement in the amount of $607,145; funds received in July.
18. Based on current DESE reimbursement projections for FY26, the District will be receiving $810,279 in additional reimbursement for claims this year.
19. Based on Q2 revenue projections, $105,286 of fund balance will be used to cover the difference between the revenue collected and the expenses charged to the BEEP revolving fund.
20. Anticipated revenue for materials fees is slightly lower than the budget and expenses are slightly higher. The negative variance of $8,527 will be absorbed by the fund balance.
21. During the FY26 budget approval process, the SC approved the use of $100,000 of the Athletic Revolving Fund balance to offset operating budget expenses.

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D.1 FISCAL MANAGEMENT GOALS

As the trustee of both public local, state, and federal funds, and private philanthropic funds, allocated for use in public education, the Committee will use these funds wisely in pursuit of the district's goals.

- Revenues from Local Tax Sources: The School Committee, working with its staff and the community, shall exert maximum effort to secure adequate funding for the schools.
- Revenues from State Tax Sources: The School Committee and staff will work jointly to secure maximum funding through the distribution formula established by the state legislature. The School Committee directs the administration to exert continued efforts to secure the maximum amount of funding available for special programs through grants.
- Revenues from Federal Tax Sources: The School Committee and staff will work jointly to secure maximum funding from federal tax sources and directs the administration to exert continued efforts to secure the maximum funding available for special programs through grants.
- Philanthropy: Public education is primarily the responsibility of the public and, therefore, the operating and capital budgets for PSB should reflect the will of the public to finance the schools through public revenues (tax sources). The Brookline School Committee welcomes additional revenues from non-tax sources as gifts to the PSB to advance the priorities and educational goals established by the School Committee, provided such gifts are in accordance with state and federal law, existing local by-laws, and this policy, and provided the gift and/or its effects reflect the PSB core value of educational equity.

The quantity and quality of the district's educational programs are dependent on the effective, efficient management of allocated funds. Achievement of the district's purposes can best be achieved through excellent fiscal management.

It is imperative that the educational program be held of paramount importance. Decisions made due to resource limitations must center on the educational goals of the district.

This prioritization will be incorporated into all aspects of district management and Committee decision making. Regarding the district's fiscal management, it is the Committee´s intent:

1. To allocate district funding, centering equity while achieving the greatest educational returns and the greatest contributions to the educational program in relation to dollars expended.
2. To engage in thorough advance planning, with staff and community involvement, in order to develop budgets.
3. To advocate for levels of public funding that will provide high quality education for all students.
4. To support the use of the best tools and techniques for budget development and management.
5. To provide timely and appropriate information to the community.

SOURCE: MASC Reviewed 2022

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D.2. ANNUAL BUDGET

D.2.1. ANNUAL BUDGET OVERVIEW

The annual budget is the financial expression of the goals of the School Committee in meeting the needs of all students.

The budget then requires an orderly and cooperative effort by the Committee, the staff, and the community to achieve the goals of the district.

PSB budgeting is affected, regulated and controlled by legislation, state regulations, Town of Brookline bylaws, and School Committee policy. The operating budget for the school district will be prepared and managed in line with the above.

In developing a budget, care shall be taken to make all presentations and documents associated with the budget clear and accessible to the members of the School Committee, to the municipal officials, and to the general public.

The Superintendent will serve as budget officer but may delegate portions of this responsibility to members of their staff, as they deem appropriate. The three general areas of responsibility for the Superintendent as budget officer are budget preparation, budget presentation, and budget administration.

A budget is a spending plan, which is developed well in advance of the fiscal year. Circumstances may occur which necessitate changing spending priorities and redirecting funds within the budget accordingly. Revisions to the budget may be made from time to time by the Committee, upon the recommendation of the Superintendent.

The annual budget for the district will be developed with input from the School Committee, including through Budget Guidelines developed and adopted early in the budget planning process.

Annual budgets for each school operated by the District shall be developed that reflect the priorities established in the annual School Improvement Plan developed with the School Site Council

LEGAL REFS.: M.G.L. 71:34; 71:37 and 71:38N; Town Bylaw Section 2.2 (Advisory Committee)

SOURCE: MASC Reviewed 2022

D.2.2. BUDGET DEADLINES AND SCHEDULES

The fiscal year shall run from July 1 to June 30 in accordance with Mass. General Laws.

Preparation of the annual budget will be scheduled by the Superintendent or their designee, in consultation with the Finance Subcommittee, in stages throughout the school year with attention to certain deadlines established by law, Town of Brookline bylaws, and the scheduling of the Town Meeting Annual Meeting. Such a calendar shall be subject to modification. It will include an appropriate schedule of School Committee/subcommittee meetings to review the recommended budget and hold a public hearing before finally adopting the budget. The calendar will include needed Town inputs into the PSB budget development, such as presentations of capital and utility expenditures. To the extent possible, the budget calendar shall be adopted by

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November 1 of the prior year.

Budget Guidelines, offering guidance from the School Committee on the development of the budget, shall similarly be adopted by November 1 of the prior year, to the extent possible.

The School Committee will also observe the statutory requirement of holding a public hearing on the proposed budget not less than seven days after the notice for this hearing has been published in a local newspaper.

Whatever dates are assigned, the final date for the submission of the budget request by PSB staff to Town staff for consideration by Town Meeting will be arranged cooperatively with the School Committee.

SOURCE: MASC Updated 2022

LEGAL REFS.: M.G.L.44:56; 71:37; 71:38N; Town Bylaw Section 2.2 (Advisory Committee)

D.2.3. BUDGET PLANNING

A sound budget development process must be established to ensure that the annual operating budget accurately reflects the District's goals The budget is a financial planning tool that grounds itself in careful analysis of enrollment and mandated services to allocate resources towards the student achievement goals set by the Committee, which are anchored in Brookline community values. The first priority in the development of an annual budget will be the educational welfare of the children in our schools.

The Committee also holds in balance the valid interest of the taxpayers.

The budget document shall reflect all sources of revenue. It shall clearly explain how those funds will be used. In the budget planning process for the school district, the Superintendent will:

1. Engage in thorough advance planning, with staff and community involvement, in order to develop budgets and guide expenditures in a manner that will achieve the greatest educational returns and contributions to the educational program in relation to dollars expended.
2. Establish levels of funding that will provide high quality education for all students.
3. Use the best available tools and techniques for budget development and management.

The Superintendent will have overall responsibility for budget preparation, including the construction of, and adherence to, a budget calendar which will be shared publicly with the community.

SOURCE: MASC Updated 2022

D.2.4. BUDGET ADOPTION PROCEDURES

The district budget is adopted by the School Committee at the cost center level. Cost centers should represent appropriate levels of transparency for the Committee to oversee goal implementation while allowing for administrative day-to-day work. Cost centers will be agreed upon by the Committee and administration.

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All revenue sources are subject to adoption by the School Committee. The budget is adopted by a simple majority.

Authority for adoption of the final school budget bottom line lies with the citizens who comprise, and who are entitled to vote at, the Town Meeting. The school budget is presented as part of the total town budget for action at the annual Town Meeting.

SOURCE: MASC Updated 2022

LEGAL REFS.: M.G.L. 71:34; 71:37; Town Bylaw Section 2.1 (Town Meeting)

CROSS REF.: D.2.5 Budget Transfer Authority

D.2.5. BUDGET TRANSFER AUTHORITY

The Superintendent of Schools or their designee is authorized to transfer funds between cost centers, subject to the following:

- All adjustments/transfers between cost centers will be presented in the quarterly and annual reports.
- The Superintendent of Schools or their designee is authorized to transfer non-salary line items within cost centers.
- The annual report will present adjustments/transfers between line items.

All funds in the general account not expended by the close of the fiscal year will be returned to the municipality.

SOURCE: MASC Updated 2022

LEGAL REFS.: MGL 71:37; DOR 94-660

CROSS REFS.: D.2.4. Budget Adoption Procedures; D.7. Fiscal Accounting and Reporting

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D.3. GIFTS, GRANTS, AND PROPOSALS

In accordance with state law, all grants and gifts to the District must be reviewed and accepted by the School Committee before expenditure.

The School Committee will encourage the administration to seek and secure possible sources of state, federal, and other special funds that will enhance the educational opportunities for the children in alignment with district goals. Prior to the submission of any proposal, the superintendent or their designee will submit for School Committee approval spending plans at the same cost center level as the district budget, with a brief narrative explaining alignment with district priorities.

The Superintendent will be responsible for coordinating the development of proposals for all specially funded projects and for keeping the Committee apprised and updated on all such projects.

The Superintendent shall ensure the district has and follows a written set of procedures in grant administration that aligns with state and federal laws and regulations. This written document is not subject to School Committee approval.

D.3.1. GRANTS AND GIFTS FROM PRIVATE SOURCES

In order to allocate supplemental funds equitably and in response to changing needs, the School Committee prefers grants and gifts from private sources to be unrestricted. In the event that a private source wish to restrict the use of funds, the following conditions must be met, in addition to the School Committee's vote to accept the gift, as determined by the Committee, in consultation with the Superintendent:

1. the gift is directed/restricted to a use consistent with an established priority of the School Committee as expressed in, for example, the Strategic Plan, Recommendations from Program Review, the Annual Budget, and/or the Capital Improvements Plan;
2. the gift supplements the use of public funds already committed to the intended program or project, or for which public funds are not yet sufficient or available;
3. the purpose and effect of the gift will not encumber substantial future public school funds for ongoing costs (including, but not limited to, support or maintenance) unless such spending is already planned for in the operating budget or anticipated in future budget years;
4. the effect of the gift will not create a permanent condition at or for an individual elementary school or its facility that creates a substantially inequitable overall experience for students at that school relative to those at the other PSB elementary schools.

The School Committee retains the authority, subject to state and local law and in consultation with the Superintendent and other relevant Town boards and commissions, to approve design and content of any program or project enabled by any gift including, but not limited to, design of structures, content of programs, procurement specifications for purchased items, hiring of contractors, and assignment of personnel.

D.3.2. SCHOOL-SPECIFIC FUNDRAISING, EXPENDITURES, AND REPORTING

School-specific fundraising comprises dollars raised by individuals and/or organizations (including, but not limited to PTOs, “friends of” groups, affinity/after-school groups,

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Extended Days) for use by and for a specific school community. The School Committee welcomes these efforts and with this policy seeks to ensure that no funds raised at and for a particular school create an exception to our long-standing policy of ensuring educational equity for all students in the PSB, regardless of the school they attend.

Accordingly:

1. There is no determined limit on how much money can be raised at or for a particular school, provided that:
    a. fundraising activities comply with this policy;
    b. fundraising is coordinated with, and conducted with the approval of, the Principal;
    c. no fundraising presents a burden to any parent group, students, teachers, or staff;
    d. no fundraising will be undertaken with the intention of paying for permanent school personnel unless specifically authorized and recommended to the School Committee by the Superintendent;
    e. no fundraising will be undertaken with the intention of instituting new education programming or capital improvements inconsistent with established plans and program guidelines and/or not already approved by the School Committee.
2. A school-affiliated group may raise and use as much funding as it deems necessary for its operational costs, e.g., mailings, newsletters, office materials, copying costs. Such use is not subject to the conditions outlined in the remainder of this policy for school-specific expenditures.

School-specific expenditures of private dollars are subject to the same definitions and restrictions/prohibitions established by this policy above. In addition to providing funds for operational costs as detailed above, school-specific expenditures from private fundraising may include:

1. items not having a direct impact on the children's education (e.g., lunches/recognitions for teachers, assemblies/speakers for parents);
2. reimbursement for basic and non-permanent classroom supplies or decorations;
3. supplemental educational activities, materials, and related scholarships (e.g., field trips, special assemblies/performances, library materials, out-of-school-time programs such as after-school activities and homework centers) provided they are consistent with the PSB Strategic Plan and approved by the Principal;

Prior approval of the School Committee (at the recommendation of the Superintendent) is required for the following expenditures to ensure the expenditure is consistent with this policy and the School Committee policy on Facilities Development, the PSB Strategic Plan, and an approved School Improvement Plan: faculty/staff professional development opportunities, technology additions/upgrades, specialized equipment (e.g., microscopes for a science lab), and other capital additions/upgrades.

D.3.2.1. Guidelines and Procedures

The Superintendent shall, in consultation with staff and with organizations affected by this policy, develop, maintain, and circulate to relevant organizations and individuals the

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guidelines and procedures for the purposes of implementing this policy.

SOURCE: MASC Updated 2022

LEGAL REF.: M.G.L. 44:53A; 71:37A; 2 CFR 200 Federal Uniform Administrative Requirements

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D.4. FEDERAL FUNDS SUPPLEMENT NOT SUPPLANT POLICY

PSB is committed to utilizing federal grant funds to supplement instructional programs funded by local, state and other sources as required by law and regulation. Federal funds will be used to complement and extend district-funded programs, not to take the place of (supplant) programs previously funded by the district, except as provided by the granting program.

The Superintendent or designee will ensure that federal grant funds are disbursed appropriately and that associated record-keeping and reporting complies with required guidelines and mandates.

LEGAL REF: Elementary and Secondary Education Act, as amended

SOURCE: MASC Reviewed 2022

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D.5. AUTHORIZED SIGNATURES

The School Committee shall designate the School Business Official to serve as the financial agent and shall authorize the School Business Official to sign all payroll, contracts, and warrants. Should the School Business Official be absent or unavailable, the Superintendent may sign in their stead.

Unless voted otherwise by the School Committee, the chair of the Finance Subcommittee is designated as the member responsible for the review and approval of all warrants as correct and approved for payment. A record of this approval will be made available on the next regular Committee agenda. Such designation does not limit the responsibility of each member. Other members may occasionally review and approve the warrants, should the Finance Subcommittee chair not be available.

Unless voted otherwise by the School Committee, the chair of the Capital Subcommittee is designated as the member responsible for the review and approval of all capital project-related warrants as correct and approved for payment. A record of this approval will be made available on the next regular Committee agenda. Such designation does not limit the responsibility of each member. Other members may occasionally review and approve the warrants, should the Capital Subcommittee chair not be available. The municipal treasurer, who also serves as the school department treasurer, signs all checks drawn against school department funds. No other signature is valid.

SOURCE: MASC Updated 2022

LEGAL REF.: M.G.L. 41:41; 41:52; 41: 56

CROSS REF: D.10.Payment procedures

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D.6. BONDED EMPLOYEES AND OFFICERS

Each employee of the school district who is assigned the responsibility of receiving and disbursing school funds will be bonded individually or covered by a blanket bond. The municipality will pay the cost of the bond.

SOURCE: MASC Updated 2022

LEGAL REF.: M.G.L. 40:5; 41:109A; 71:47

CROSS REFS: D.7. Fiscal Accounting and Reporting; D.14. Student Activity Funds

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D.7. FISCAL ACCOUNTING AND REPORTING

The Superintendent will be ultimately responsible for receiving and properly accounting for all funds of the school district, maintaining effective internal controls so as to assure the effectiveness and efficiency of operations; adequate safeguarding of property; assurance of expenditures in accordance with programs under which revenues are received; and compliance with applicable laws and regulations

The accounting system used will conform with the Uniform Massachusetts Accounting System as well as good accounting practices, providing for the appropriate separation of accounts, funds, and special monies.

The School Committee will receive periodic financial statements from the Superintendent showing the financial condition of the district. Such other financial statements as may be determined necessary by either the Committee or the administration will be presented as found desirable. At minimum, quarterly and annual financial reports will be provided to the School Committee. The annual report shall include targets/ranges for revolving fund balances.

The Superintendent will annually request from the Town Administrator information on all funds held on behalf of PSB by the Town of Brookline, including the available funds from investment capital donated, for example, for the purpose of granting scholarships and prizes.

All financial reports will be posted to the District website.

SOURCE: MASC Updated 2022

LEGAL REF.: MGL Ch. 44:38; 603 CMR 10:00; 2 CFR 200.303

CROSS REFS: D.2.5. Budget Transfer Authority; D.8.Audits

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D.8. AUDITS

An audit of the town, which includes PSB accounts, is conducted annually by external auditors hired by the Town of Brookline. This review shall be conducted in accordance with the generally accepted accounting principles and the Government Auditing Standards issued by the U. S. Comptroller General. This audit is overseen by the Town of Brookline Audit Committee, in conjunction with Town of Brookline and PSB staff. One member of the School Committee (the Finance Subcommittee Chair, unless the School Committee chair elects otherwise) is the member appointed to the Audit Committee.

Upon completion of the external audit, the superintendent will share the resulting documentation with the Committee. The Committee will consider the recommendations made by the auditor for maintaining an efficient system for recording and safeguarding the school department's assets.

Additionally, the district is also subject to the following:

- End of Year Financial Compliance Report: Every Massachusetts school district must submit the results of this report to the Department. This End of Year report must be submitted to the Department on or before September 30 each year.
- Government Accounting Standards Board 34: The District is covered in these government financial statements of revenue and expenditures of the municipality.
- Federal grant audits: As a district that spends about thresholds required, the district is subject to the Single Audit Act.
- Student Activity Account: As required by state law, student activity accounts are audited annually. For accounts that exceed $25,000, the School Committee shall consider an audit conducted by an outside firm every three years

The Committee may request an additional audit of the school district's accounts at its discretion.

SOURCE: MASC Updated 2022

LEGAL REF: M.G.L. 44:38-40; 71:47; 72:3; Town of Brookline Bylaws Section 3.5 (Audit Committee)

CROSS REFS: D.7. Fiscal Accounting and Reporting; D.14. Student Activity Accounts

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D.9. PURCHASING

D.9.1 PURCHASING OVERVIEW

PSB abides by all applicable state and federal laws and regulations, and Town By-Laws, on competitive bidding.

It shall be the responsibility of the Superintendent:

- To procure materials, supplies, equipment, and services at the lowest possible cost consistent with the quality necessary for the proper operation of the District, thereby attaining the maximum value for each public dollar spent;
- To maintain the District's reputation for fairness and integrity and to promote impartial and equal treatment to all who wish to conduct business with the District;
- To encourage a mutually cooperative relationship with requesting departments, recognizing that successful purchasing is a result of team planning and effort;
- To promote social, environmental and economic goals such as the purchase of environmentally-friendly products, and encouraging local, small, minority, and women-owned businesses to participate in bidding for District purchases.

The acquisition of materials, equipment, and services will be centralized in the Superintendent's office of the school district, in collaboration with the Town's Procurement Office.

School purchases will be made only on official purchase orders approved for issuance by the appropriate unit head and signed by the Superintendent or designee, with such exceptions as may be made by the latter for emergency purchases.

SOURCE: MASC Updated 2023

LEGAL REF.: M.G.L. 30B; 71:49A

D.9.2. PURCHASING AUTHORITY

Except as noted below, authority for the purchase of materials, equipment, supplies, and services is extended to the Superintendent through cost-center appropriation as part of the District budget process.

The purchase of items and services within the cost-center appropriation requires no further Committee approval except when by law or by Committee policy.

Contracts may be entered into for a period of up to three years.

LEGAL REFS.: M.G.L. 30B

CROSS REF.: D.9.3. Procurement Requirements

SOURCE: Updated MASC 2023

D.9.3. PROCUREMENT REQUIREMENTS

All purchases of materials and equipment and all contracts for construction or maintenance will conform to the requirements of law. Any contract between the District and a vendor is subject to

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procurement requirements, whether the District or another entity completes the purchase.

To foster greater efficiency, the District will enter into state and local intergovernmental agreements where appropriate for procurement or use of common or shared services.

For any supply or service over $100,000, bids will be advertised appropriately. Suppliers will be invited to have their names placed on distribution lists to receive invitations to bid. When specifications are prepared, they will be distributed to all merchants and firms who have indicated an interest in bidding.

All bids will be submitted in sealed envelopes, addressed to the Chief Procurement Officer and plainly marked with the name of the bid and the time of the bid opening. Bids will be opened in public at the time specified, and all bidders will be invited to be present.

Any bid may be withdrawn prior to the scheduled time for the opening of the bids.

Any bid received after the time and date specified will not be considered. All bids will remain firm for a period of 30 days after opening.

The contract will be awarded to the responsive and responsible bidder offering the lowest price for the supplies/services specified in the Invitation to Bid. The bidder to whom an award is made may be required to enter into a written contract with the school district.

The Chief Purchasing Officer may, if it would best serve district interest, use a Request for Proposals, instead of the above process.

A procurement for a supply or service in the amount of $10,000 or greater by not more than $100,000 shall be awarded to the responsible party offering the needed quantity or supply among three written quotations sought and retained by the procurement officer.

A procurement in the amount of $10,000 or less shall be obtained through the exercise of sound business practices.

SOURCE: MASC Updated 2023

LEGAL REF.: M.G.L. 7:22A; 7:22B; 30:39M: 30B

CROSS REF.:D.9.2. Purchasing Authority

NOTE: Chapter 198 of the Acts of 2022 lifted the thresholds for both written quotations and for bids for school districts ONLY from $50,000 to $100,000. The School Committee of a municipal district conducting all of its own purchasing may choose to lift the caps above at its discretion.

In order for districts in which purchasing is conducted by the municipal purchasing department to do so, the municipality may, per the Office of the Inspector General, 1) change the procurement policy to decentralize the procurement function so the school department can conduct its own procurement process; OR 2) make a limited policy change by using the Chief Purchasing Officer's delegation to revert some school-related procurements back to the school department); OR 3) keep a centralized process but the CPO can make separate purchases for the school department using the higher school-related thresholds. If none of these occur, the Committee must keep the thresholds as they stand.

NOTE: Town or city charters may contain related provisions. If so, appropriate citations should be added to the legal references.

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D.10. PAYMENT PROCEDURES

All claims for payment from PSB funds will be processed in accordance with procedures developed by the Superintendent and Town Comptroller. Payment will be authorized against invoices properly supported by approved purchase orders, with properly submitted vouchers, or in accordance with salaries and salary schedules approved by the School Committee.

The Superintendent will be responsible for assuring that the budget allocations are observed and that total expenditures do not exceed the amount allocated in the budget for all items.

Per Section D.5 the Committee will designate members to be responsible for the review and approval of the warrants as correct and approved for payment. Warrants then will be forwarded to the municipal auditor for processing and subsequent payment by the municipal treasurer. A record of this action will be made available to the Committee on the agenda of the next regular meeting.

Actual invoices, statements, and vouchers will be available for inspection by the School Committee upon request.

SOURCE: MASC Updated 2022

LEGAL REF.: M.G.L. 41:41; 41:52; 41:56

CROSS REF:D.5. Authorized Signatures

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D.11. EXPENSE REIMBURSEMENTS

PSB personnel and officials who incur authorized expenses in carrying out their duties will be reimbursed by PSB upon submission of a properly completed and approved voucher and any supporting receipts required by the Superintendent.

When official travel by a personally owned vehicle is authorized, mileage payment will generally be made at the Internal Revenue Service standard mileage rate.

To the extent budgeted for such purposes in the school budget, approval of travel requests by School Committee members must have prior approval of the School Committee Chair. Staff travel requests within budgetary limits may be approved by the Superintendent. Staff travel requests that exceed budgetary limits will require the approval of the School Committee Chair and the identification of funding sources by administration. Each request will be judged on the basis of its benefit to the school district.

LEGAL REF.: M.G.L. 40:5; 44:58

SOURCE: MASC Reviewed 2022

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D.12. DISPOSAL OF PROPERTY

The School Committee will abide by procedures outlined in MGL Ch. 30B and those established by the Town for the disposal of school buildings and real estate.

With regard to obsolete school property other than buildings or real estate, the School Committee encourages receiving maximum cash benefit from such property, through resale toward the purchase of replacement property. In the event there is no cash value, any such property should be offered to PSB partners, Town residents, and third-party non-profit beneficiaries. Only as a last resort should such property be destroyed.

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D.13. CASH IN SCHOOL BUILDINGS

PSB will develop procedures to ensure cash funds are safeguarded on premises.

D.13.1. PETTY CASH

Petty Cash funds are disallowed starting in FY27.

D.13.2. CASH ON SCHOOL PREMISES

The School Committee discourages the keeping of cash on the premises of any school building, including for field trip payments, and to this end endorses stringent administrative regulations governing the control of such funds. Cash and checks must be turned over to the Office of Administration and Finance within 48 hours of collection. Pending the deposit of school funds in the bank, their safety should be governed by the procedures described above.

D.13.3. UNACCOUNTED-FOR FUNDS

Within 24 hours of a discovery that petty cash funds are lost or unaccounted for, or other funds go missing, a complete, written report should be sent to the Superintendent or their designee.

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D.14. STUDENT ACTIVITY ACCOUNTS

In compliance with Chapter 66 of the Acts of 1996, and upon the recommendation of then-auditors Power and Sullivan, the School Committee establishes Student Activity Accounts at each school under the signature authority of the Principal. This action:

1. authorizes principals to accept money for recognized student activity organizations;
2. authorizes agency account(s) on the treasurer's books;
3. establishes maximum balances of $10,000 (elementary school) and $30,000 (high school), which can be periodically increased at the discretion of the Superintendent and with notice to the School Committee.

The School Committee directs the Superintendent to develop and maintain the associated policies and procedures to administer these accounts.

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D.15. POST-SECONDARY SCHOLARSHIPS

The Brookline School Committee gratefully acknowledges the generosity of donors who support our high school graduates with scholarships for their post-secondary education. Effective July 1, 2026 (FY27), PSB will no longer accept scholarships so as to minimize administrative burden on staff. We encourage future donors to work with PSB community partners such as the Brookline Community Foundation (BCF), which similarly administers scholarships for PSB students.

D.15.1. MANAGEMENT OF SCHOLARSHIPS IN FY27 AND BEYOND

1. Scholarships with funds held by PSB will continue to be awarded until funds are exhausted.
2. Scholarships that are pay-as-you-go shall no longer have funds accepted.
3. PSB will happily work with BCF or the donor's organization of choice to transfer any remaining funds as allowed by law, should the donor prefer to not have the balance awarded by PSB.

D.15.2. PREVIOUS POLICY REGARDING SCHOLARSHIPS

Acceptance of Scholarships

- No scholarship shall be awarded without prior School Committee acceptance of the scholarship.
- The School Committee shall not accept any scholarship that unlawfully restricts the class of individuals to whom it can be awarded.

Scholarship Selection Committee

- The Superintendent shall, after consultation with the Head of School, annually appoint a Scholarship Selection Committee consisting of no more than thirteen (13) voting members, plus the Deputy Superintendent for Administration and Finance, who shall be a non-voting member.
- No individual donor, including parties related to a donor, or donor group shall comprise a majority vote of the Scholarship Selection Committee.
- Members of the Scholarship Selection Committee shall recuse themselves from participating in the discussion and awarding of a scholarship to any applicant to whom they are related.

Procedures for Awarding Scholarships

- Notice and eligibility requirements pertaining to PSB affiliated scholarships shall be available in prevalent languages of the PSB. Notice of the availability of such scholarships shall include, at a minimum, posting on the PSB website.
- Scholarship application forms shall be provided to and completed by each scholarship applicant in accordance with procedures established by the Scholarship Selection Committee.
- The Scholarship Selection Committee shall evaluate each scholarship application based

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on the criteria established for the scholarship and shall select the recipient(s) based on a comprehensive process intended to gather from faculty and staff relevant information concerning applicants.

- Donors or parties related to donors shall not participate in the selection of a scholarship recipient.

Procedures for Payment of Scholarship Awards

- The Scholarship Selection Committee shall complete a scholarship reporting form for each scholarship awarded. Payments shall be made directly to the educational institution to be attended by the recipient, except in cases of compelling financial circumstances which, in the judgment of the Scholarship Selection Committee, justify a direct payment to the scholarship recipient for education-related expenses.
- The PSB shall retain responsibility for all scholarship distributions. The PSB may reject any selection made by the Scholarship Selection Committee if the information on the scholarship reporting form indicates that the recipient was not selected in accordance with the provisions of this Policy.

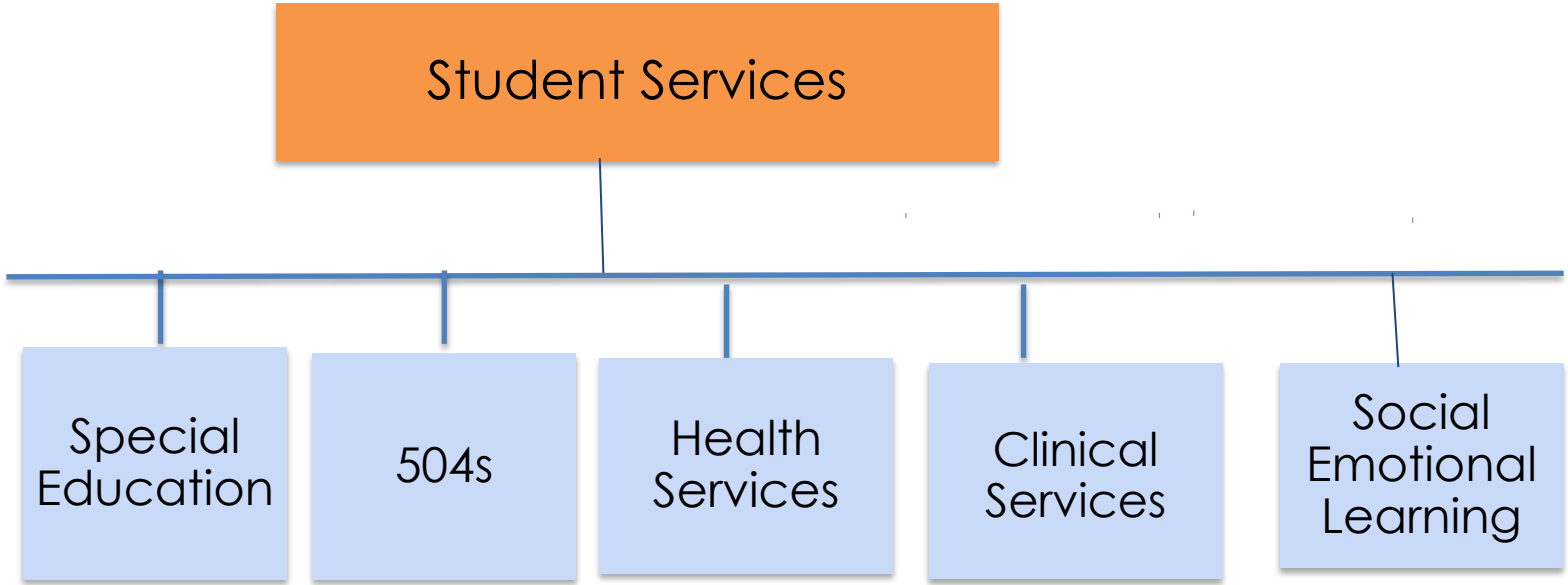
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Overview
Office of Student Services
December 4 ,2025

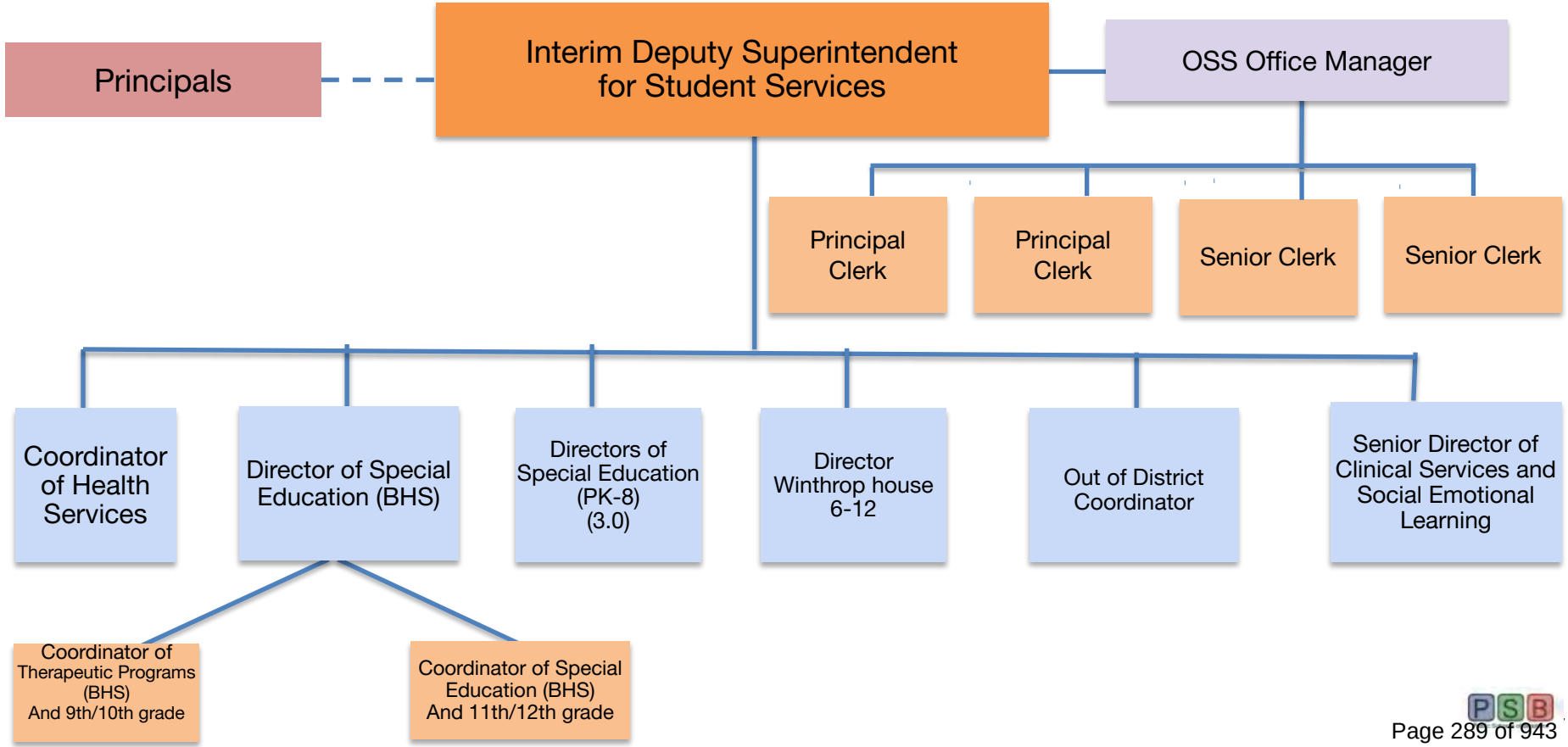
Presentation Overview

- Who's Who in the Office of Student Services (OSS)
- Clinical Services & Social Emotional Learning
- Health Services
- 504's
- Special Education
    - District Data
    - Special Education Eligibility
    - Out of District Data

Office of Student Services



FY26 Student Services Organization Chart



Who's Who in OSS



Karen Shmukler, Interim
Deputy Superintendent of
Student Services



Matt DuBois, Senior Director
of Clinical Services



Tricia Laham
Coordinator of School
Health Services



Nadene Moll
Director of Special Education PreK-8 BEEP,
Pierce, Driscoll



Anna Bauer-McTigue
Director of Special Education PreK-8
FRR, Lawrence, Baker



Becky McCabe
Director of Special Education PreK-8
Hayes, Lincoln, Runkle

Who's Who in OSS



Robin Fabiano
Director of Secondary
Special Education



Lilly O'Flaherty
Director of Winthrop House
6-12



Tracy Paradise
Out of District Coordinator

Who's Who in OSS

PreK-8	9-12
Special Education Directors Team Facilitator/s Special Education Teachers Related Services Personnel* Paraprofessionals *OT's, SLP's, BCBA's, PT's, APE	Special Education Director Program Coordinators Team Facilitator/s Special Education Teachers Related Services Personnel Paraprofessionals
Nurses Psychologists School Counselors Social Workers/Adjustment Counselors	Nurses Psychologists School Counselors Social Workers/Adjustment Counselors

Clinical Services & Social Emotional Learning

School Counselors

- Provide support to **all** students and families in their grade band.
- Facilitate the enrollment of all new students; Support placement decisions and other scheduling needs
- 504 coordinators
- Provide whole-class SEL lessons to classrooms.
- Provide coaching and consultation
- Provide therapeutic groups for students that target belonging, emotional regulation skills, social skills, and other critical SEL skills.
- Provide short-term individual counseling
- May provide counseling services as part of a student's IEP.
- Part of their school's crisis response teams

Clinical Services & Social Emotional Learning

School Social Workers/Adjustment Counselors

- Provide direct intervention services (i.e., counseling) to students in their school (K to 8) who present with the highest level of clinical need.
- Provide individual and group counseling.
- Provide consultation and coaching to teachers, other educators, and parents/caretakers.
- Consult with outside agencies and professionals.
- May also push into classrooms to provide whole-class lessons
- Provide training to special education staff on ways to support the mental health of children.

Clinical Services & Social Emotional learning

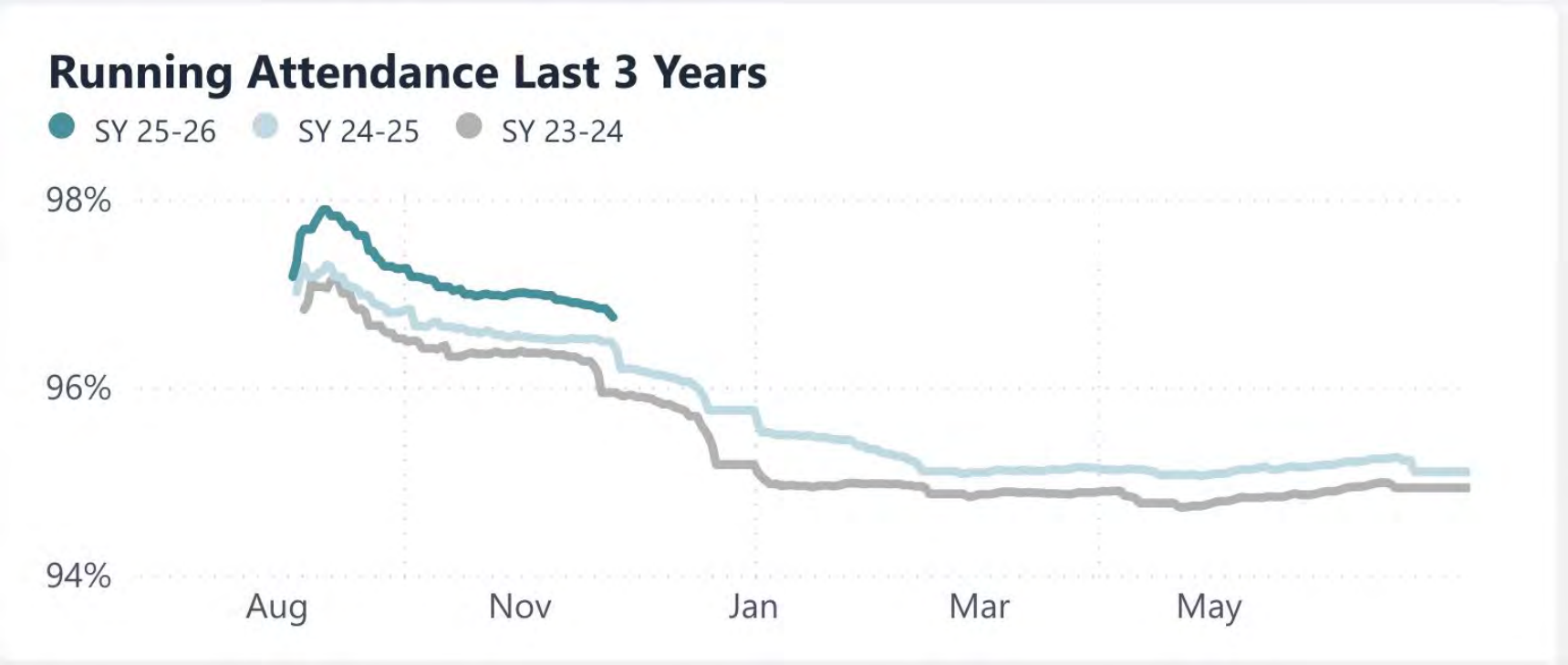
School Psychologists

- Conduct mandated educational evaluations as part of the special education process.
- Active part of building-based crisis response teams and routinely conduct risk and threat assessments.
- Provide individual and group counseling services to students.
- Provide consultation and coaching to teachers, other educators, and parents/caretakers.
- Consult with outside agencies and professionals.
- Regularly provide training to special education staff on ways to support the mental health of children.

Clinical Services & Social Emotional Learning

- Chronic Absenteeism = Missing 10% or more of school days enrolled
  - 2016-2017 = 7.4%
  - 2017-2018 = 7.8%
  - 2018-2019 = 8.1%
  - 2019-2020 = 9.3%
  - 2020-2021 = 5.9%* (Hybrid)
  - 2021-2022 = 15.1% (3.2% were 20% or more)
  - 2022-2023 = 14.5% (2.6% were 20% or more)
  - 2023-2024 = 11.5% (2.4% were 20% or more)
  - 2024-2025 = 10.8% (1.3% were 20% or more)
  - 11/20/2024 = 8.8% (2.0% are 20% or more)
  - 11/26/25 = 7.3%

Clinical Services & Social Emotional Learning



Health Services

School Nurses

Provide direct, compassionate, culturally competent nursing care to all students. This Includes assessment, treatment, planning, intervention, evaluation, management and referral if indicated.

- Prepare and maintain accurate student electronic health records, with timely documentation of daily health encounters.
- Promote a healthy school environment including ensuring immunization compliance prior to school entry and as updates are required
- Develop comprehensive Individual Health Care Plans for students with health care concerns.
- Administer daily and PRN medications and nursing care procedures prescribed by the student's health care provider and in accordance with Massachusetts Department of Public Health.

Health Services

School Nurses

- Collaboration with interdisciplinary teams
- Conduct mandated screening including hearing, vision, scoliosis, height and weight and SBIRT
- Communicate with parents/guardians regarding individual student health issues as indicated

Highlights

School Nurses

Have had over 19,000 student visits this year

Over 96% percent of these students have been able to return to class and learning following care by the school nurse

Have performed over 6400 hearing and vision screenings

School nurse CPR instructors have taught CPR/AED and certified over 30 staff this year

Federal and State Laws and Students with Disabilities

1. Individuals with Disabilities Education Act (IDEA 2004), Federal Regulations 34 C.F.R. 300
2. Section 504 of the Rehabilitation Act
3. Massachusetts General Law Chapter 71B

Mass. Regulations = 603 CMR 28.00

Special Education & IDEA



Individuals with Disabilities Education Act (IDEA, 1997) and the Individuals with Disabilities Education – Improvement Act (IDEA; 2004)

- A federal statute specifically focused on supporting children who experience an adv educational impact o disability.

What Is Section 504?



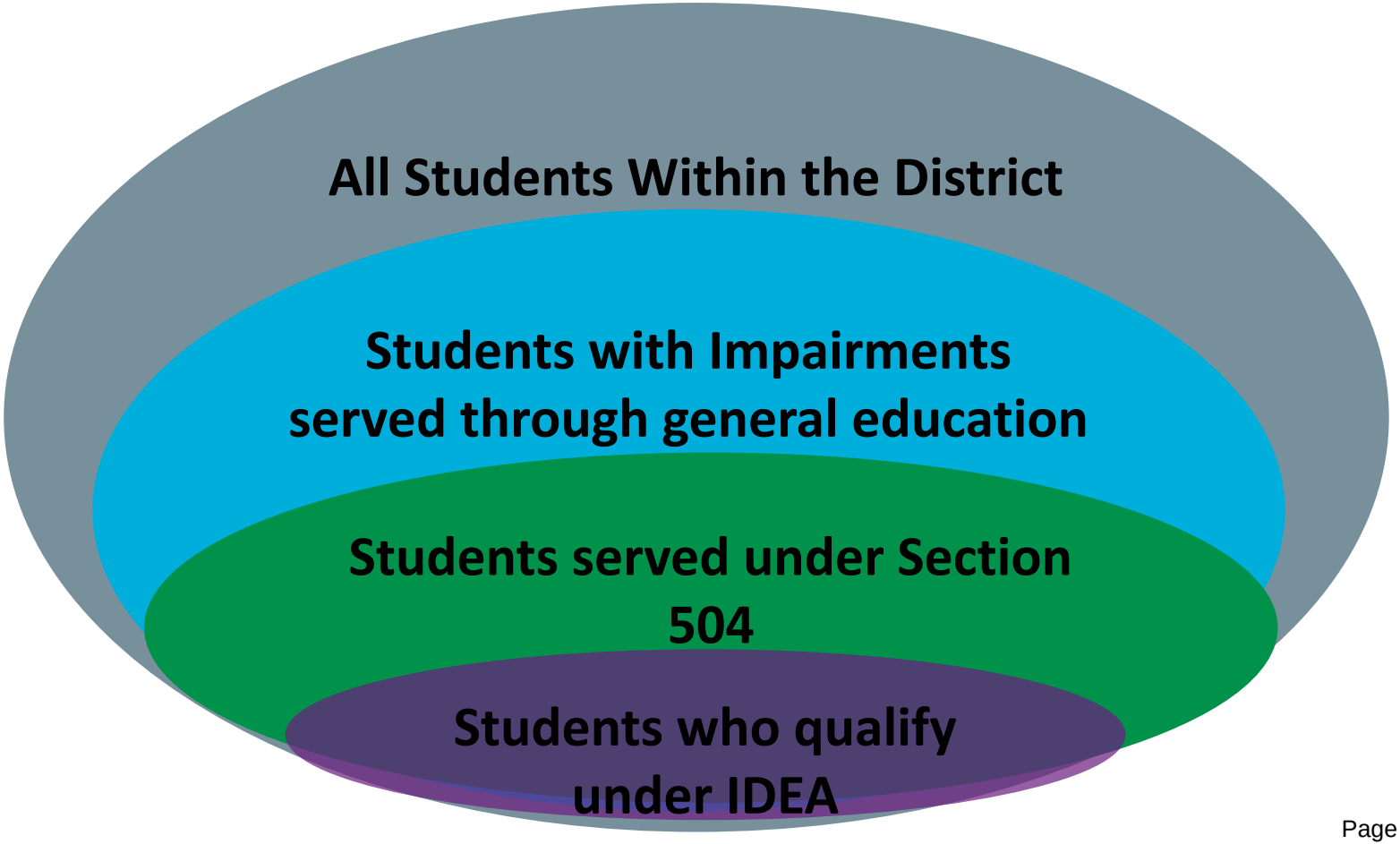
Section 504 is a federal civil rights statute that prohibits discrimination and harassment on the basis of a disability

I.D.E.A. vs. Section 504

- I.D.E.A. is a **funding statute**.
- I.D.E.A. requires the student to have one of thirteen/ten specific disabilities. **Section 504 is not categorical**; but, covers any qualifying physical or mental impairments.

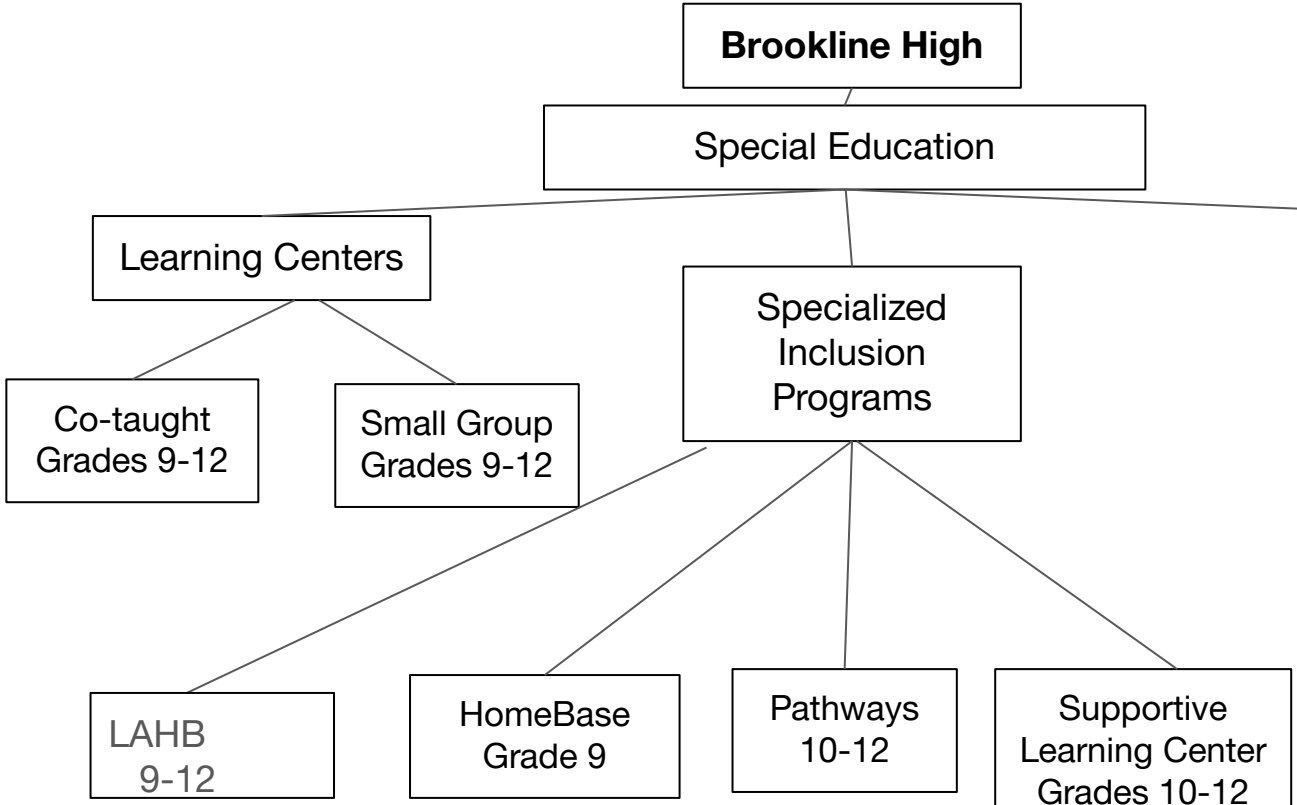


- Section 504 is a **non-discrimination statute** designed to provide equal opportunity.
- I.D.E.A. is designed to provide **specialized instruction** to enable the student to achieve at a level commensurate with their own ability.
- I.D.E.A. is limited to students with an educational need.


All Students Within the District
Students with Impairments served through general education
Students served under Section 504
Students who qualify under IDEA

BHS Special Education Programming (Slide #1)

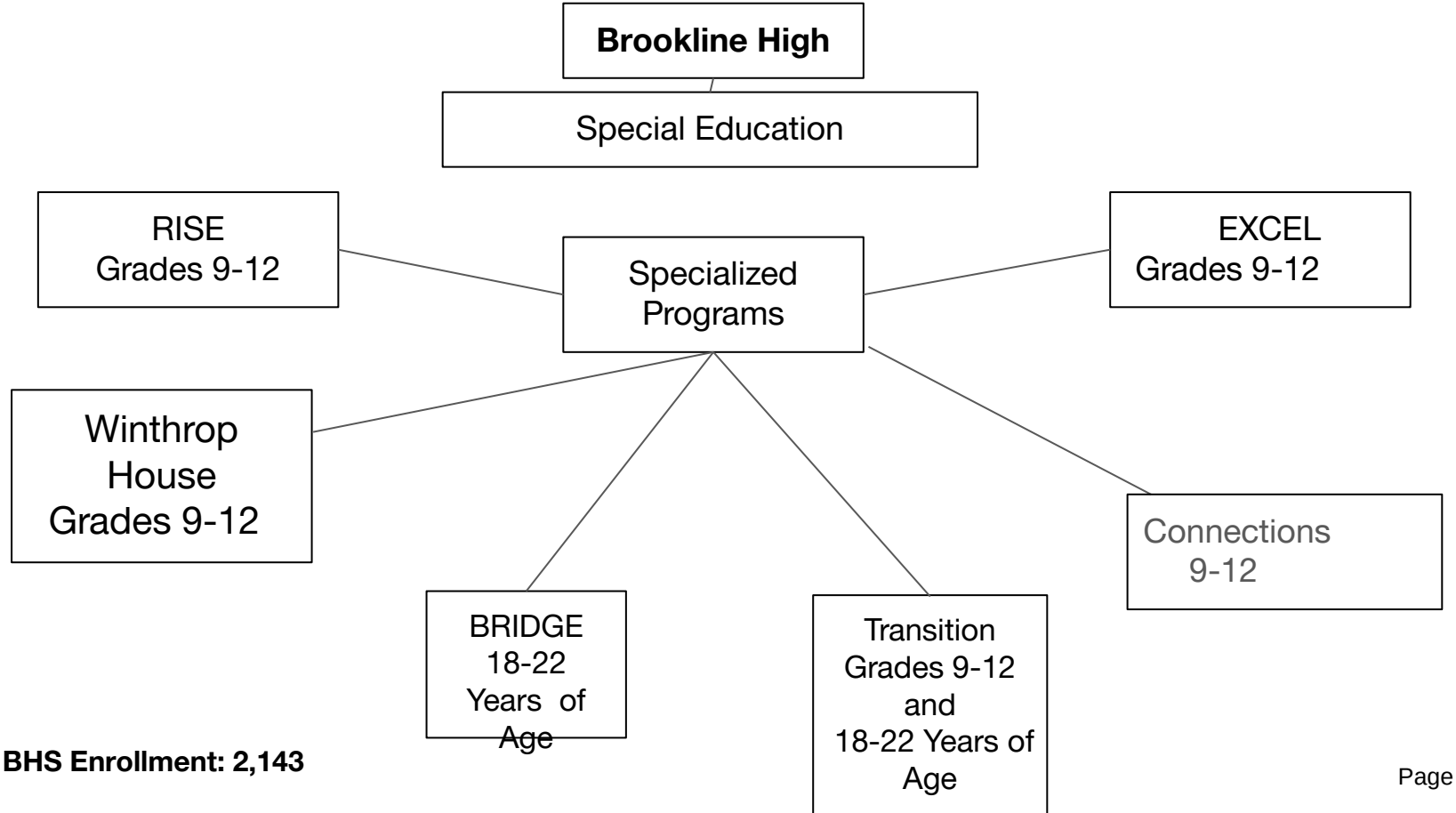
359 Students in Special Education (16.7% out of 2,150)



Total BHS Enrollment: 2,150

BHS Special Education Programming (Slide #2)

360 Students in Special Education (16.8% out of 2,143)



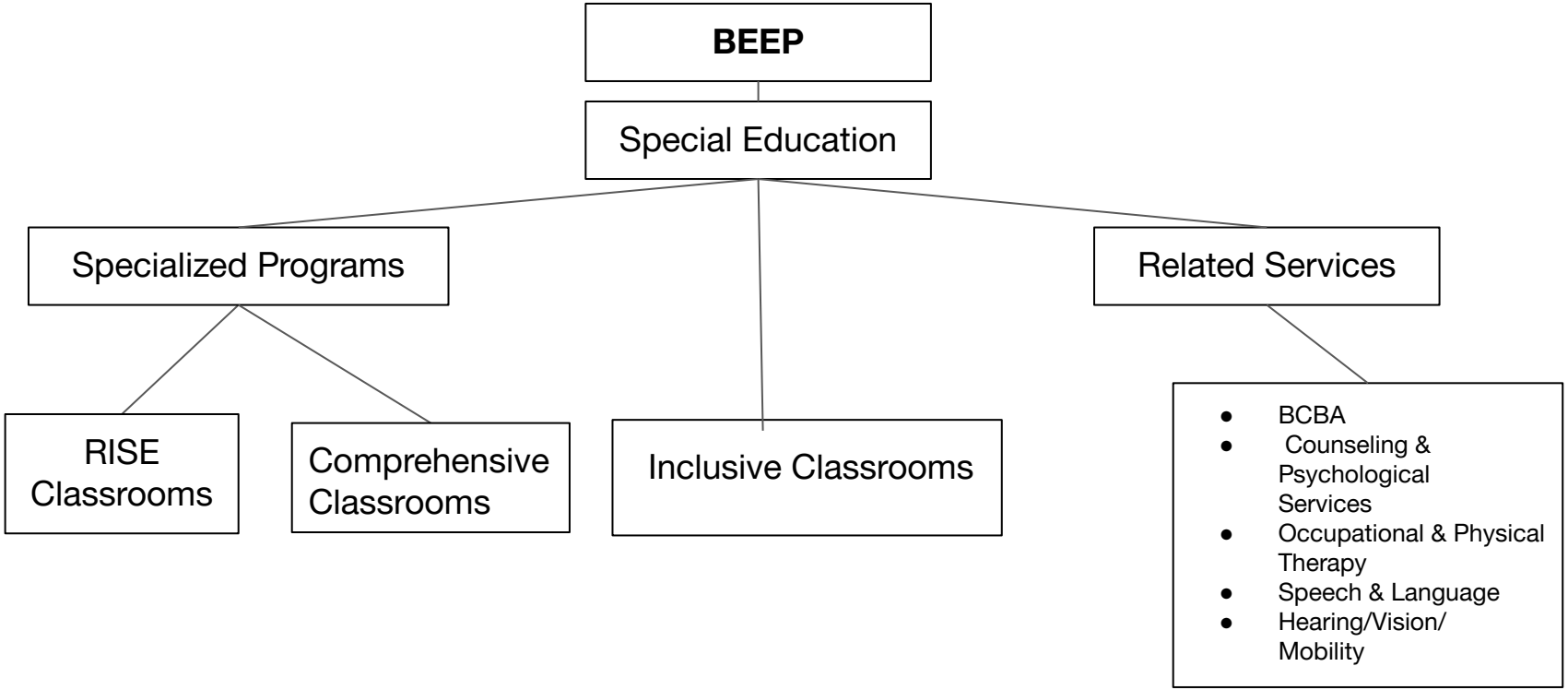
Total BHS Enrollment: 2,143

Highlights

- BHS successfully welcomed around 110 9th grades with IEPs this fall.
- Unified Basketball had a 7-1 season with about 40 student athletes.
- Unified Bocce (intramural) is beginning for the winter season.
- BHS Transition staff have been scheduling visits to a variety of post-secondary settings.
- RISE/ Bridge music concert coming in January.
- BHS LC teachers are working on aligning curriculum and resources.
- BHS department participated in a workshop related to supporting students with ADHD during the 11/4/25 PD day.

BEEP Special Education Programming:

45 Students in Special Education (17.3% out of 260)



Total BEEP Enrollment: 260

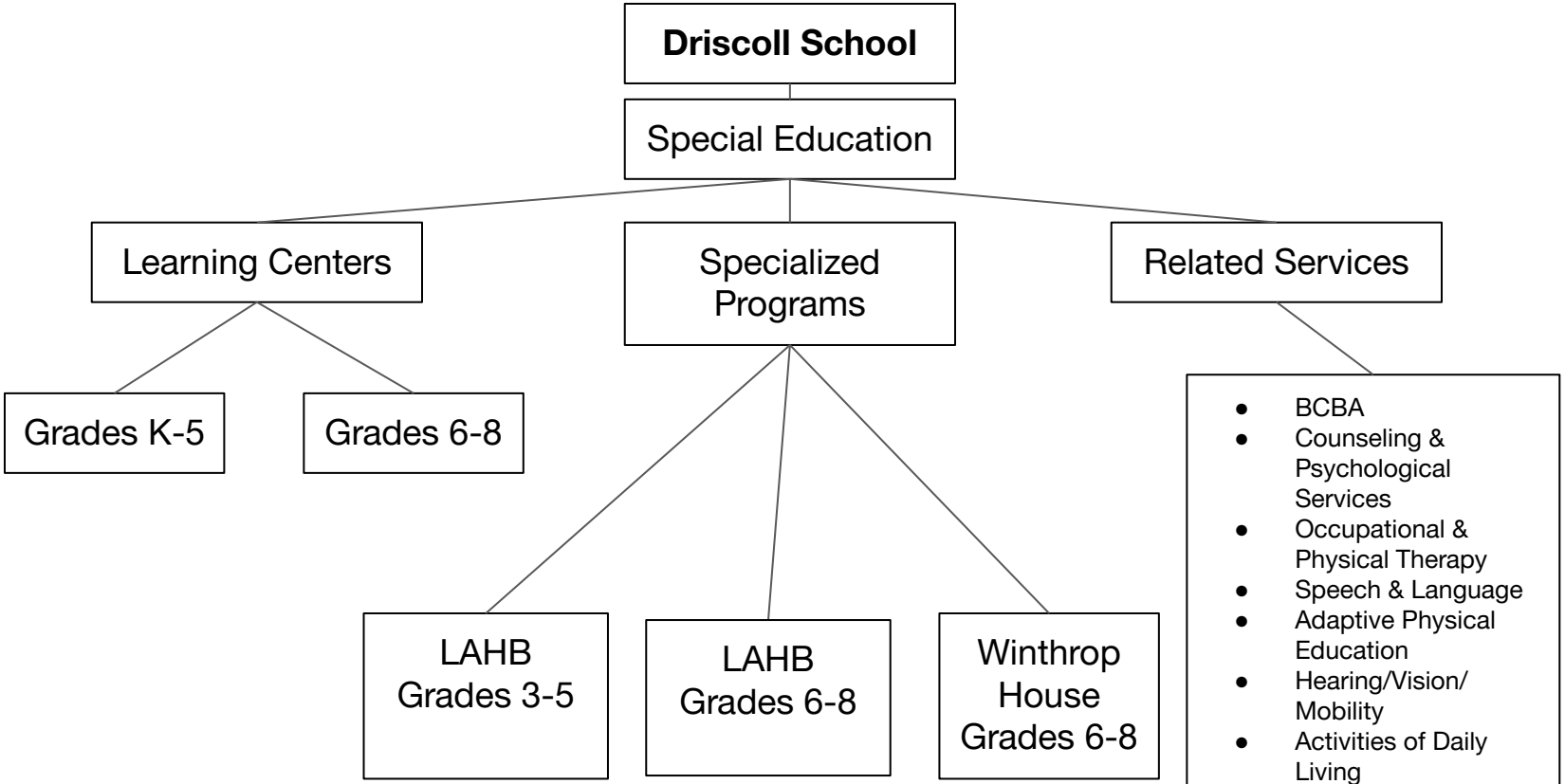
- 34 students students who are not yet enrolled in school or attend private pre-k receive services

Recent Highlights

- BEEP Program Coordinator worked with a cohort of PK and K teachers to help the teachers obtain their PK-2 Moderate Disabilities License.
- Parent support groups offered by BEEP social worker and ETF
- New RISE classroom model to increase collaborative teaching and inclusive experiences for students while streamlining consultation and service delivery.
- Pilot of Student Intervention Team at the BEEP level.
- BEEP BCBAs applied for and were awarded a grant from the BEF to attend the Black Association of Behavior Analysts International Conference.

Driscoll Special Education Programming:

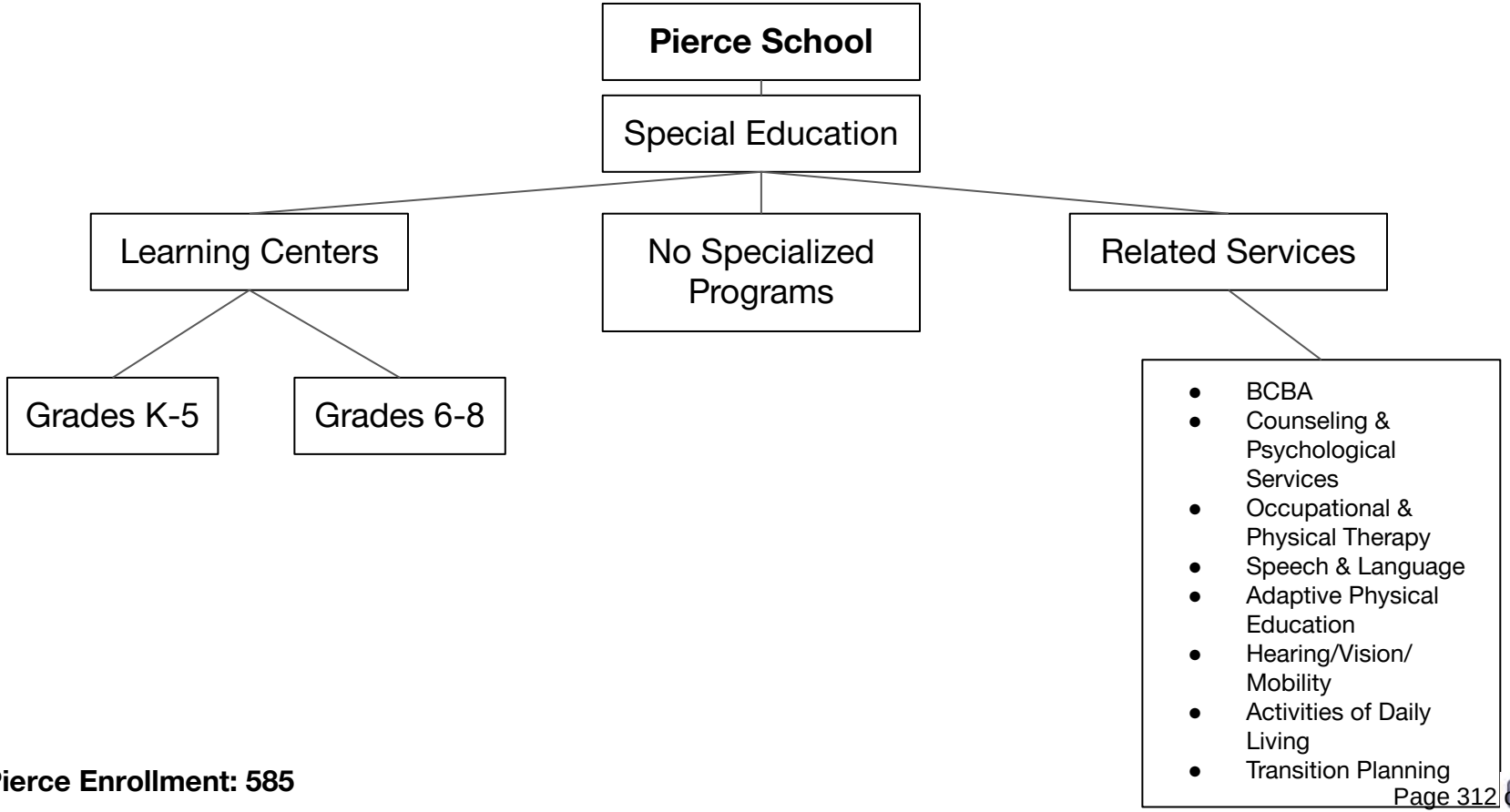
89 Students in Special Education (16.9% out of 526)



Total Driscoll Enrollment: 526

Pierce Special Education Programming:

93 Students in Special Education (15.9% out of 585)



Total Pierce Enrollment: 585

Recent Highlights

Driscoll

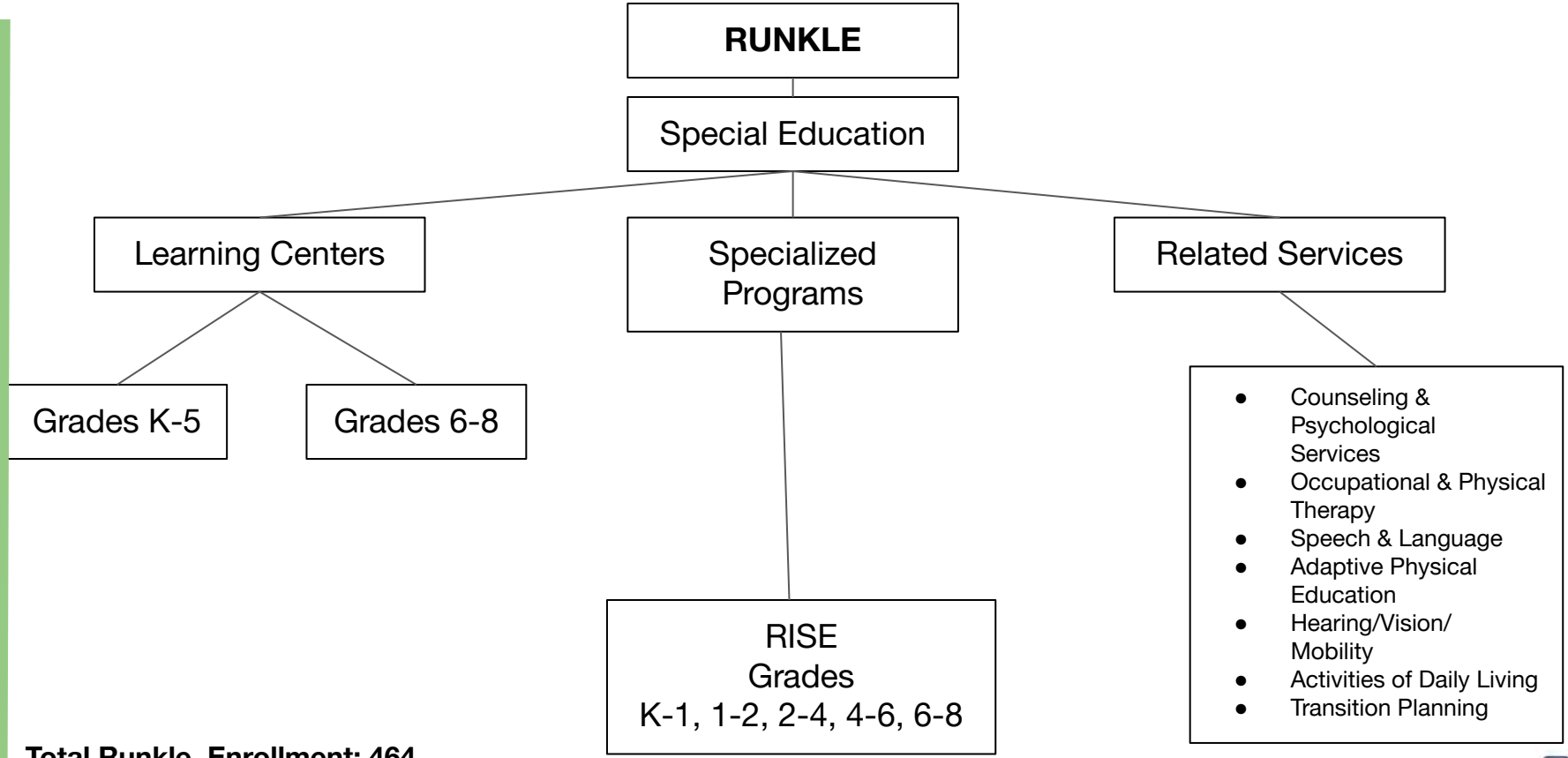
- Professional Learning in creating Trauma-Sensitive Classrooms
- Daily student skills group run by special educator and rotation of service providers grade 4/5 to address executive functioning emotional regulation and social pragmatic needs
- BCBAs applied for and received a BEF grant to attend Association for Applied Behavior Analysis International in Lisbon, Portugal - they will be incorporating their learning into students' behavior intervention plans and will provide professional learning to the BCBA department

Pierce

- Wilson Institute Training
- Developed co-treatment models
- Enhanced middle school schedule

Runkle Special Education Programming:

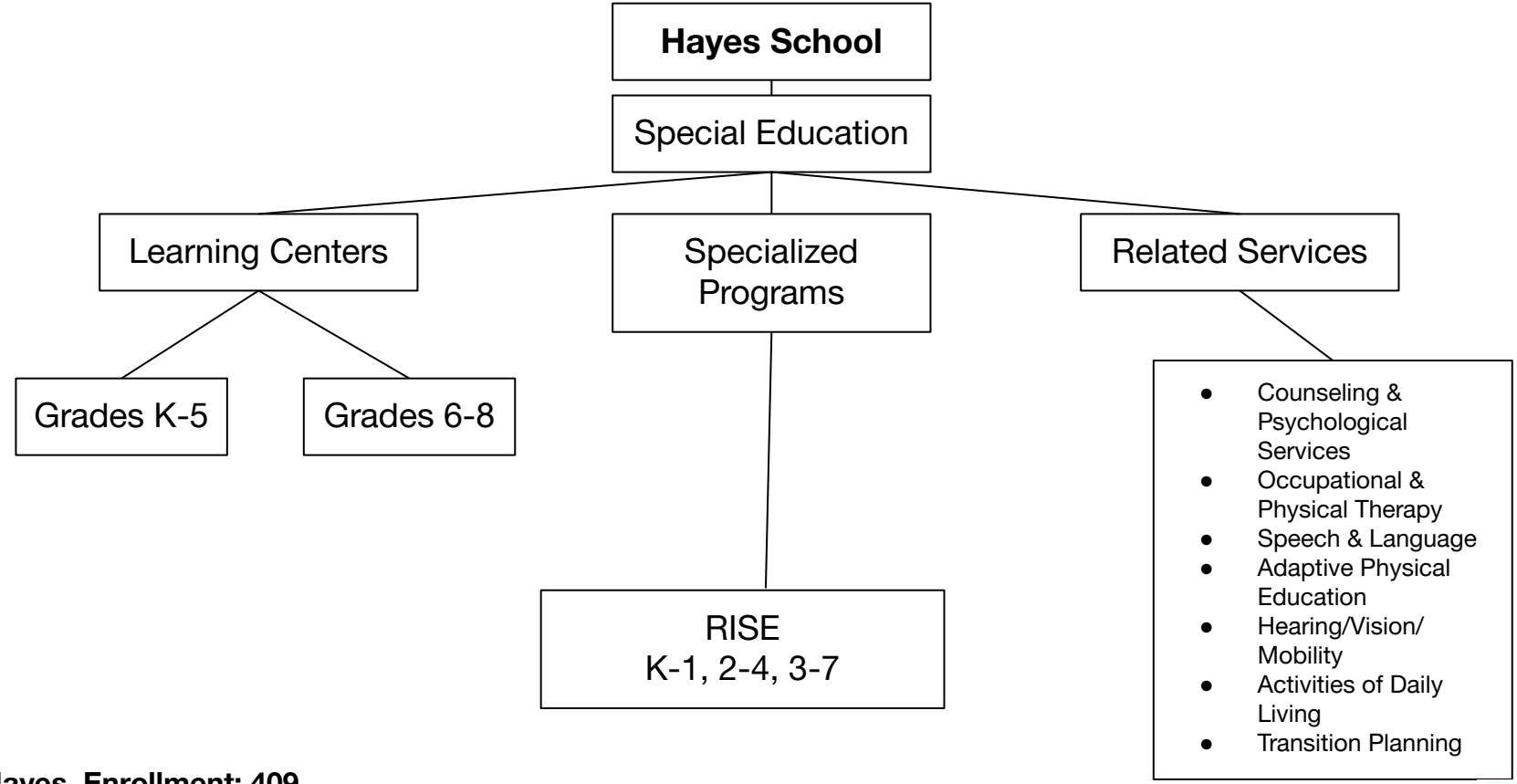
112 Students in Special Education (24.1% out of 464)



Total Runkle Enrollment: 464

Hayes Special Education Programming:

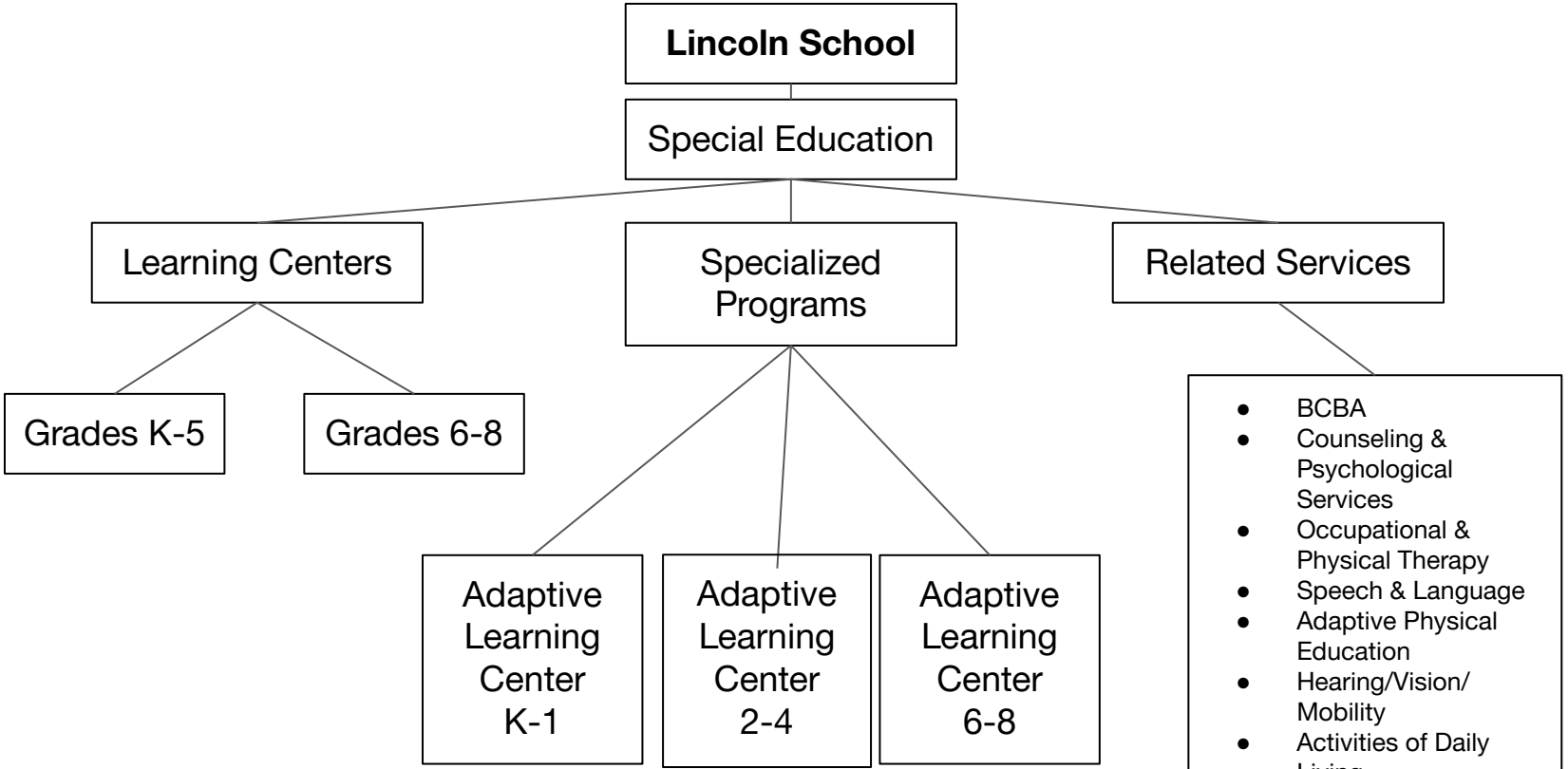
81 Students in Special Education (19.8% out of 409)



Total Hayes Enrollment: 409

Lincoln Special Education Programming:

111 Students in Special Education (23.7% out of 468)



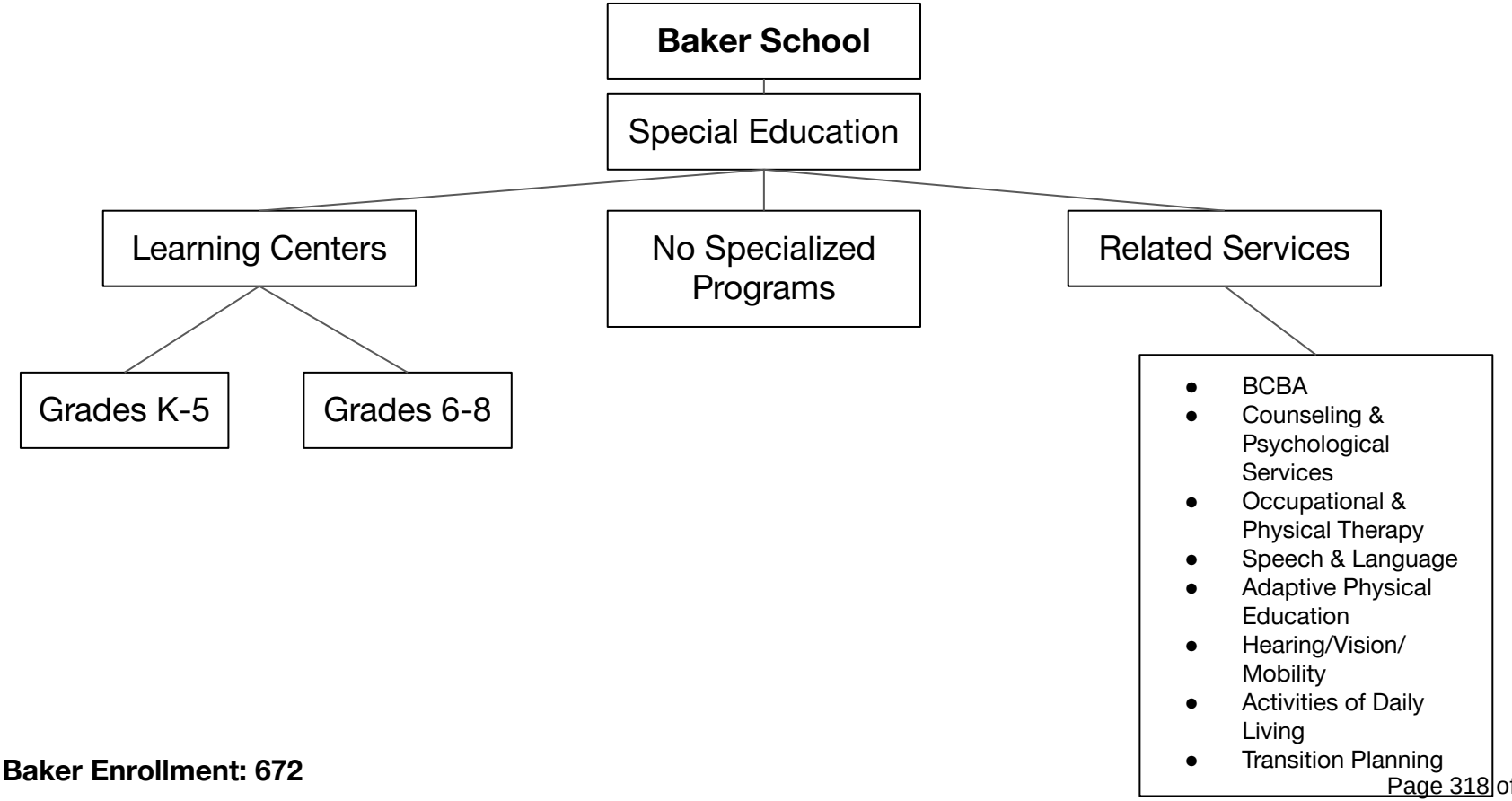
Total Lincoln Enrollment: 468

Recent Highlights

- Music Therapy
- ACE Curriculum training for staff: New England Center for Children
- New RISE Classrooms
- New ALC Classroom

Baker Special Education Programming:

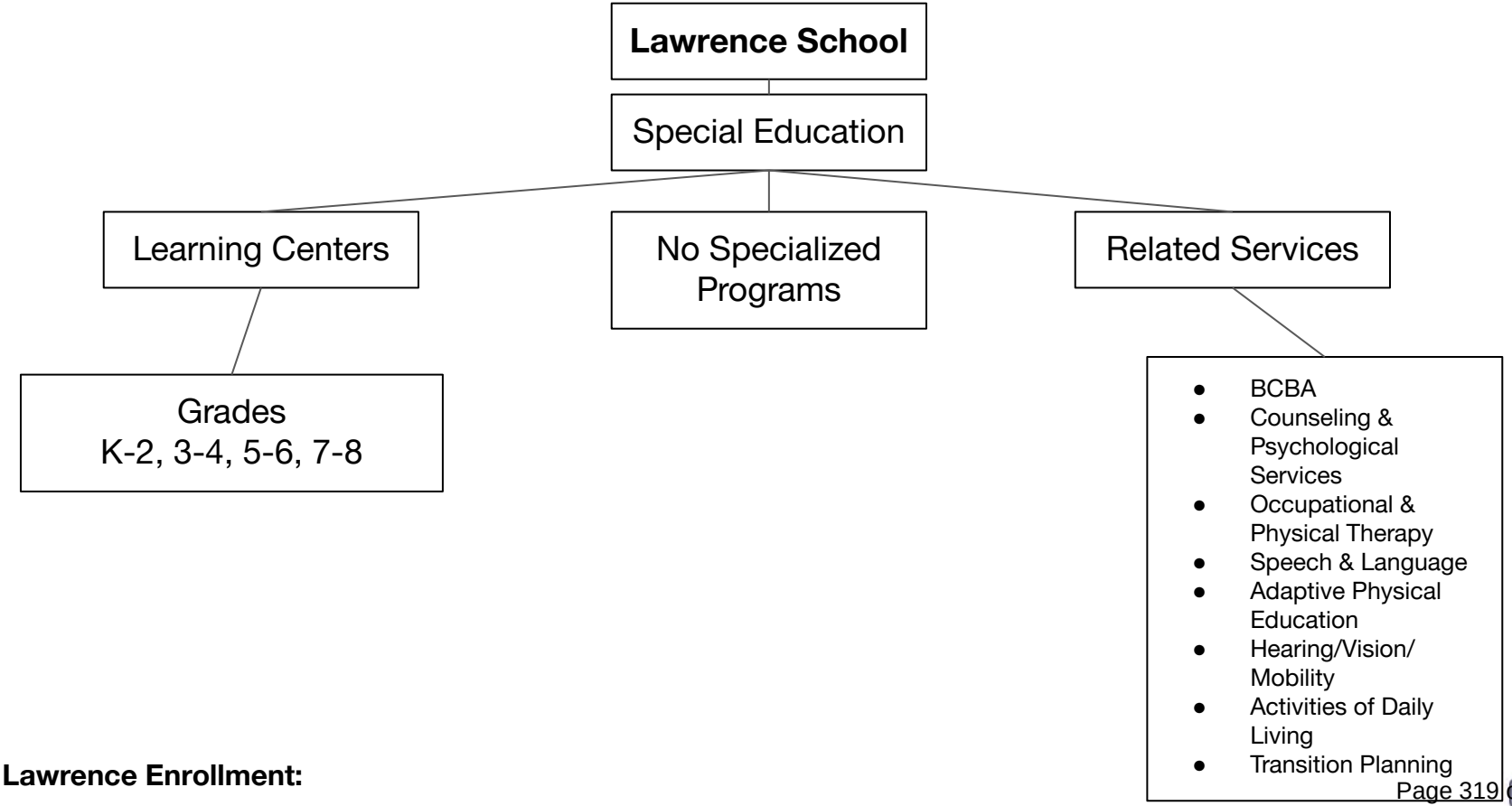
99 Students in Special Education (15.0% out of 661)



Total Baker Enrollment: 672

Lawrence Special Education Programming:

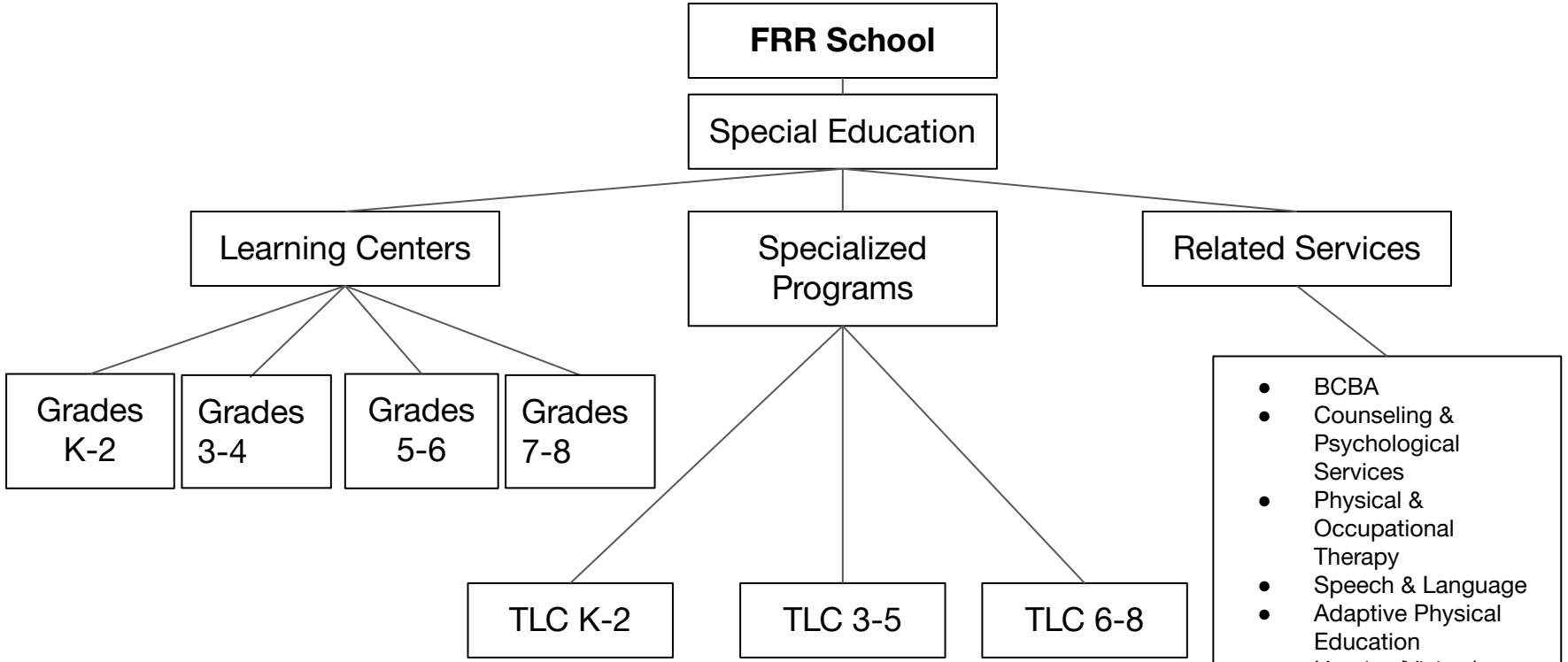
86 Students in Special Education (13.8% out of 625)



Total Lawrence Enrollment: 625

Ruffin Ridley Special Education Programming:

138 Students in Special Education (16.5% out of 838)



Total FRR Enrollment: 838

Recent Highlights

All Schools: Wilson Institute Training

Baker

- Special Education Department Professional Learning Agenda focused on supporting challenging behavior

Lawrence

- Collaboratively Piloting Tiered Systems of Support Schoolwide
- Planned activities for Inclusive School Week

Florida Ruffin Ridley

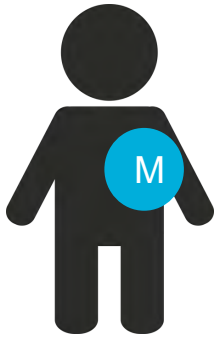
- TLC completed an overhaul of its consultation process
- Math Department and Special Education planning for a collaborative professional learning activity in the second half of the year on differentiated Math instruction

Diagnosis/Disability/Difference/Divergent

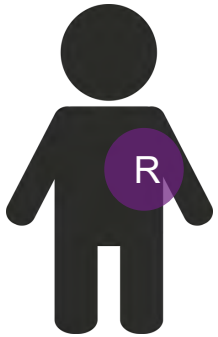
A Diagnosis Does not an Educational Disability Make

- Doctors, specialists give a diagnosis
- **IEP Teams** use disability characteristics to help determine the presence of an educational disability and **eligibility for special education services**
- Medical Model/ NeuroDiversity

A Diagnosis Does not an Educational Disability Make





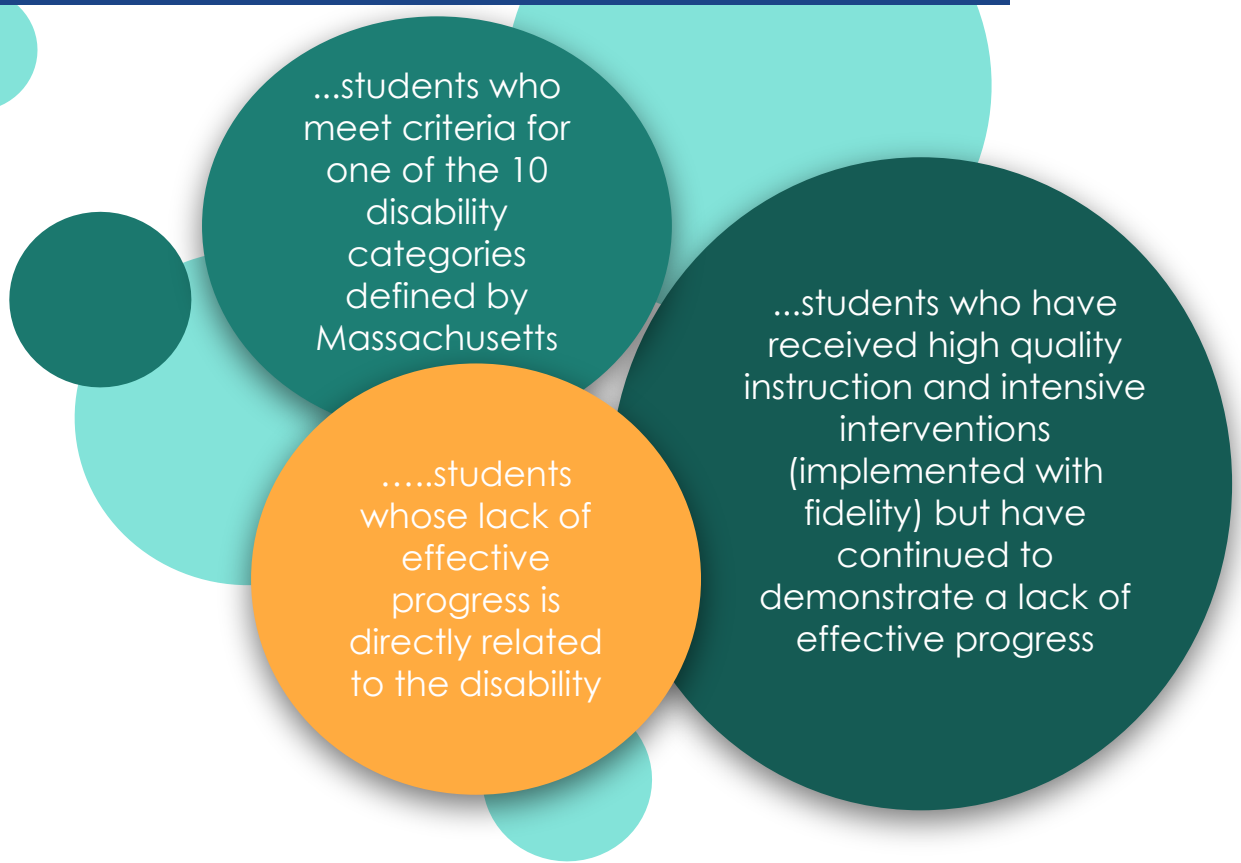


Max has ADHD. Max has mastered some strategies that help navigate life at school & make progress. Max gets supports through general education.

Shauna has ADHD. Her ADHD impacts access to the classroom. Shauna requires accommodations in order to fully access learning. Shauna has a 504 plan.

Ronald has ADHD. Ronald's team determined that Ronald was not making effective progress and requires specialized instruction from a Special Educator & Occupational Therapist. Ronald has an IEP

Students who receive special education services are:



IEP PROCESS

I. EDUCATIONAL DISABILITY: A student must first be found to have a disability which is CAUSAL to an inability to make effective progress in school – this is PIVOTAL

II. EFFECTIVE PROGRESS: Based on data, teams determine whether a student is making effective progress in school.

III. MUST NEED SPECIAL EDUCATION TO MAKE PROGRESS: Special education is defined as specially designed instruction to meet the unique needs of the student or related services that are necessary **to access the general curriculum.**

The law clearly states that students may not be determined eligible solely because of a failure to follow school discipline code, need for reading or math instruction or because of limited English proficiency or social or behavioral maladjustment.

Special Education Determinations

- The task of determining eligibility is a complex one.
- Making a determination that a student has a disability and that the disability is **causal** to an inability to make progress in general education is one of the most significant judgments professionals and families will make in the educational life of a student.
- There is no simple way to identify students in need of special education.
- Comprehensive evaluation process
- Special education resources need to be reserved for students with disabilities and because of those disabilities, need the specialized services that special education can provide in order to make educational progress.

Disability Categories

- Autism
- Communication Impairment
- Developmental Delay
- Emotional Impairment
- Health Impairment
- Intellectual Impairment
- Neurological Impairment
- Physical Impairment
- Sensory Impairment (Hearing, Vision, Deaf-Blind)
- Specific Learning Disability

IDEA: FAPE & LRE

Free Appropriate Public Education & Least Restrictive Environment

Endrew F. v. Douglas County School District Re-1,

"[t]o meet its substantive obligation under the IDEA, a school must offer an IEP reasonably calculated to enable a child to make progress appropriate in light of the child's circumstances." The Court additionally emphasized the requirement that "every child should have the chance to meet challenging objectives."



THEORY OF ACTION

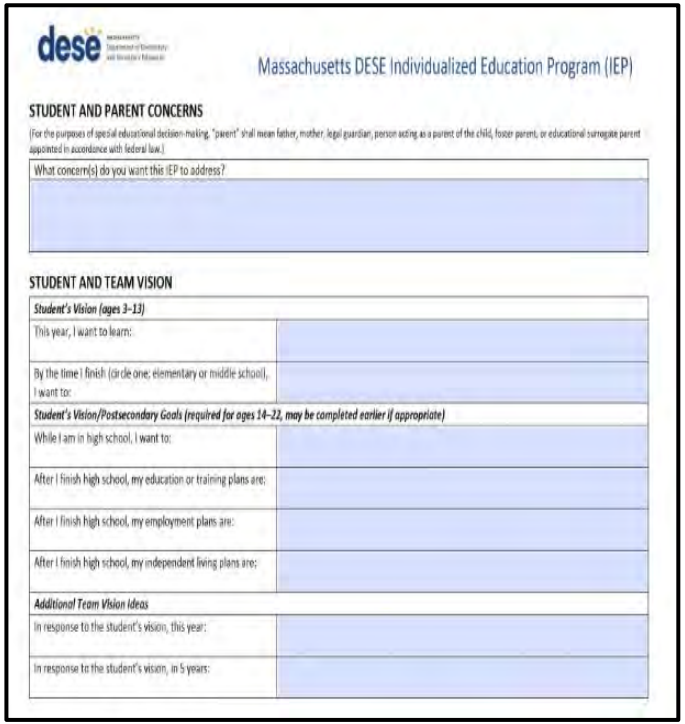
If students with disabilities have meaningful access to the curriculum frameworks and the skills to engage in all aspects of the life of the school, then we will begin to close the opportunity and achievement gaps between students with disabilities and their age-appropriate non-disabled peers.





Some DATA….

Some Data



dese

Massachusetts DESE Individualized Education Program (IEP)

STUDENT AND PARENT CONCERNS

(For the purposes of special educational decision-making, "parent" shall mean father, mother, legal guardian, person acting as a parent of the child, foster parent, or educational surrogate parent appointed in accordance with federal law.)

What concern(s) do you want this IEP to address?

STUDENT AND TEAM VISION

Student's Vision (ages 3–13)	
This year, I want to learn:	
By the time I finish (circle one: elementary or middle school), I want to:	
Student's Vision/Postsecondary Goals (required for ages 14–22, may be completed earlier if appropriate)	
While I am in high school, I want to:	
After I finish high school, my education or training plans are:	
After I finish high school, my employment plans are:	
After I finish high school, my independent living plans are:	
Additional Team Vision Ideas	
In response to the student's vision, this year:	
In response to the student's vision, in 5 years:	

18%

Students receive services through an IEP

Special Education Rates 2021-2025

DESE	2021	2022	2023	2024	2025	2026
Total In and Out of District Students	6,954	6,990	7,116	7,104	7,089	6985
Number of Special Education Students	1,183	1,220	1,279	1,330	1,320	1213
% of Special Education Students	17.0%	17.5%	18.0%	18.7%	18.6%	17.9%

IEP Percentages - In-District

School	Total Enrollment	Students with IEPs	Percentage
Baker	661	99	14.98%
Driscoll	526	89	16.92%
Hayes	409	81	19.80%
Lawrence	625	86	13.76%
Lincoln	468	111	23.72%
Pierce	585	93	15.90%
Ridley	838	138	16.47%
Runkle	464	112	24.14%
BHS	2150	359	16.70%
BEEP	259	45	17.37%
TOTAL	6985	1213	17.98%

Snapshot of Disability Categories

Disability Category	% of District
Autism	17.1 %
Communication	17.7 %
Developmental Delay	8.1 %
Emotional	11.5 %
Health	18.6 %
Intellectual	3.0 %
Neurological	9.1 %
Specific Learning Disability	21.4 %
Sensory Impairment	1.2 %
Physical Impairment	0.4 %

Out of District Rates 2023-2026

	Out of District	Settlements	Total
FY 23	68	12	80
FY 24	60	24	84
FY 25	60	26	86
FY 26	62	19	81

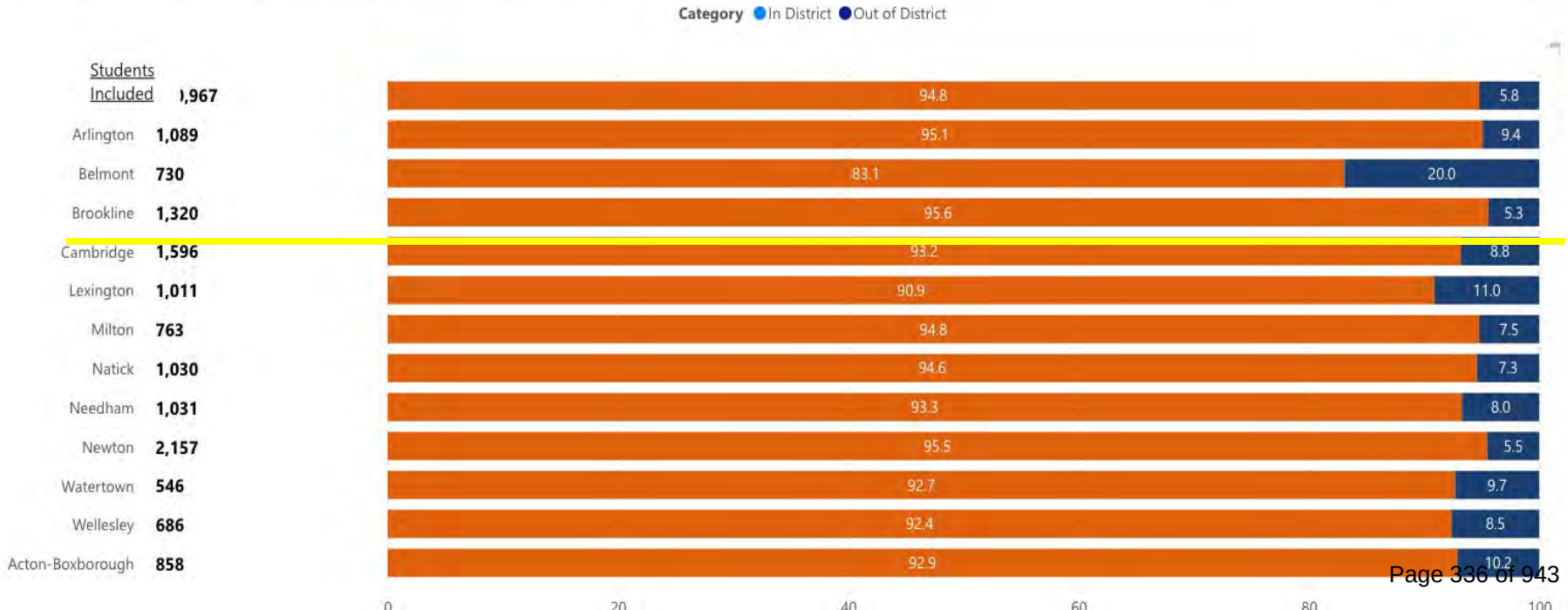
Out of District Rates Benchmarking

RADAR Special Education
2025 District Comparison

Brookline

Enrollment | In District/Out of District | Grade Span | Race/Ethnicity | Gender | EL and Low Income/Economically Disadvantaged | Placement | Disability Type | Special Education FTEs per 100 SWDs

Percent of SWDs Who Attend School In or Out of District



Out-of-District Students, by Grade

	FY20	**FY21**	**FY22**	**FY23**	***FY24***	***FY 25***	***FY 26***
PK - 5	12	10	8	9	9	8	12
6 - 12	45	62	62	59	65	71	62
Post-Graduate to Age 22	11	13	13	12	10	7	7
Total	69	85	83	80	84	86	81

Office of Student Services Updates & Priorities

- Ensuring High Quality Continuum of Instruction, Services and Supports
- Centering Students Identities & Sense of Belonging
- Focusing on Mental Health & Wellness
- Maximizing Inclusion Opportunities
- Effective & Efficient Delivery of Contracted Services
- Maximizing Revenue

  -Medicaid

  -Circuit Breaker

  -Tuition-In Students

Office of Student Services Updates & Priorities

- **Literacy**
  Wilson & Orton Gillingham (OG)
  Professional Development, Coaching & Certifications
- **MTSS in partnership with OTL**
  Partnership with New Teacher Center (NTC)
  Universal Design for Learning: Professional Development
- **Ensuring Student & Staff Safety:** Safety Care Training, Flexible Support Team
- **Supporting Paraprofessionals:** Paraprofessional Development
- **Addressing Disproportionality:** Disproportionality Workgroup
- **Enhancing Programs:** Mini Program Reviews

dese MASSACHUSETTS Department of Elementary and Secondary Education
Pedro Martinez | Commissioner

October 8, 2025

Bella T. Wong
Interim Superintendent of Schools
Public Schools of Brookline
333 Washington Street
Brookline, MA 02445
bella_wong@psbma.org

RE: Public Schools of Brookline (PSB) - Summary of Individuals with Disabilities Act (IDEA) Part B Targeted Fiscal Monitoring Review

Dear Superintendent Wong:

This letter summarizes the results of the Targeted IDEA Part B Fiscal Monitoring Review conducted by the Department of Elementary and Secondary Education (Department). The Department as an oversight entity, is required by the Uniform Grant Guidance, Title 2 of the Code of Federal Regulations Part 200, to ensure federal grants are used for authorized and allowable purposes in compliance with federal regulations, terms, and conditions.

Furthermore, the Department, as the state education agency (SEA) pursuant to 34 C.F.R. § 300.2, has general supervisory responsibility to ensure all local education agencies (LEA) receiving IDEA Part B funds comply with all related requirements. *See* 34 C.F.R. § 300.149, 300.600

In a letter dated February 14, 2025, the Department, pursuant to its oversight and general supervision responsibilities, informed PSB of a targeted fiscal monitoring review to determine whether IDEA Part B funds provided to the PSB are completely, appropriately, and reasonably expended on students with disabilities pursuant to all related federal and state laws and regulations. *See* 34 C.F.R. § 300.149, 300.600, 300.608.

This report details the Department's review and recommendations regarding the implementation of IDEA Part B funds and the delivery of services to children and students with disabilities. Overall, our targeted review ensured allocated IDEA Part B funds are expensed during the allowable period in line with the PSB budget and in compliance with IDEA allowable cost rules.

The Department conducted virtual interviews with key personnels and obtained documented explanations relevant to procurement, vendor contracts, fiscal responsibilities, fiscal budgets, and expenditures. In addition to interviews, the Department reviewed the PSB's responses to the IDEA Part B Fiscal Self Assessment

along with the written policies and procedures and evidence of implementation provided upon request. The self-assessment examined the following key areas:

1) Administrative Review
2) Cost Principles and Expenditures
3) Time and Effort Reporting and Documentation
4) Inventory Management
5) Contracts and Procurement
6) Fiscal Records Retention
7) Financial System Review
8) IDEA Part B Fiscal Requirements

The Department obtained an understanding of the PSB and town of Brookline's procurement process and contract execution timelines, obtained written policies and procedures, and completed a review of a sample of special education contracts, specifically those involving vendors Pearson, Care Solace, Goalbook, MGH Aspire, Journey ABA, Landmark Outreach, and QBS.

As part of our fiscal review, we obtained budget and expenditure reports that included the general ledgers for FFY2023 and FFY2024 of the following:

a) FC240/262 Proportionate Share for Equitable Services
b) FFY2023 FC240 Resolution Funds for Equitable Services
c) FFY2023 Comprehensive Coordinated Early Intervening Services (CCEIS)
d) FC240/262 IDEA Part B Reimbursement Request

Within the scope of review, the Department noted no areas of non-compliance relative to the use of IDEA Part B funds for the respective years in review. Where no corrective action is required at this time, the Department will continue ongoing monitoring activities as part of its general supervision responsibilities. Below is a summary of the targeted monitoring review and Department recommendations.

Summary of Targeted Monitoring Review	
Targeted Review Component	**Review Summary**
CCEIS	PSB was required to set aside $369,961 in FY24 for CCEIS. These funds were budgeted for professional development, behavioral support, evaluations and services. During our review, we learned procedures were implemented to ensure CCEIS funds are tracked and accounted for separately. Allowable budget revisions were made with reliable explanation and reasons justifying the revisions. The Department concludes the mandatory 15% of IDEA Part B funds set aside for CCEIS for children not currently identified as needing special education or related services but needing additional academic and behavioral support to succeed in a general education environment, and primarily, but not exclusively for the subset of children identified pursuant to 34 C.F.R. § 300.646 for significant disproportionality in the

	identification for special education and or related services, were fully expended consistent with allowable expenses and the PSB's CCEIS budget and action plan. Massachusetts policy requires the 15% of funds for CCEIS must be expended pursuant to the LEA's CCEIS action plan in the first fiscal year in which it was required to be reserved or submit an action plan to spend any unexpended CCEIS funds forthwith and no later than the following fiscal year. PSB is encouraged to continue to track and monitor CCEIS funds and maintain accurate recording and accounting for CCEIS funds as a separate account code within the MUNIS accounting system.
Equitable Services - Resolution funds	PSB received $31,530 in FY24 resolution funds for equitable services. These funds were fully expended and properly recorded and accounted for in the general ledger. While we noted no exceptions, the Department encourages strengthening internal controls including: A) Segregation of Duties – ensure no one individual controls key stages of expending allocated funds (submitting, approving, and disbursing funds). B) Proper Approvals – establish and implement a clear approval hierarchy for approving expenditures. C) Financial accuracy – ensure the proper accounting and accurate reporting of funds obligated, encumbered and expended. Also, maintain clear and concise recording of funds where funds are separately tracked, monitored and recorded to ascertain information/records are reliable and transparent.
IDEA Part B Reimbursement	The Department reviewed the general ledger for nine (9) randomly selectedFY24 and FY25 FC240/262 reimbursed expenditures. The general ledger shows the date expense was recorded, expense description, date, and amount. Although the Department noted no untimely reported and requested reimbursement(s), due in part to staff turnover, PSB was unable to provide a detailed explanation for one of the nine sampled selections with a budget variance between MUNIS and GEMs. Where grant budget revisions are allowed and often necessary, it is recommended that PSB maintain sufficient monitoring oversight to minimize the misalignment of budgets and accounting systems to ensure accurate and current reporting and recording of the use of IDEA Part B and other federal funds. PSB is encouraged to implement and document a process to ensure simplicity & transparency in the reconciliation of expenditures and ensure the retention of adequate financial records.

Procurement and Contract Execution	The Department examined seven (7) vendor contracts and determined, through document requests and additional information provided by staff, that the contracts were fully and timely executed. While no evidence of any noncompliance with any federal and state procurement laws and regulations, PSB should maintain and regularly update clear procedures considering the Town of Brookline's procurement procedures to ensure uninterrupted delivery in services to children requiring special education and related services. Periodic reporting that evaluates the timely execution of contracts and identifies analytical data including delays and trends can help. Additionally, it is recommended PSB maintain thorough and separate documentation when a vendor's total expenditures include multiple services, such as professional development or out-of-district student placements.
Policies and Procedures	PSB does have a conflict-of-interest policy pursuant to 2 CFR 200.319, 200.318, which was last signed and approved in April 2023. It is recommended policies and procedures are regularly reviewed and updated annually to ensure they are compliant, comprehensive, current, and establish clear requirements and detailed explanation of any exceptions. It is recommended PSB maintain best practices and procedures to ensure charges to federal awards for salaries and wages, including stipends, are based on accurate records of allowable work performed, salary distribution, and certification. While PSB reported no inventory purchases using IDEA Part B funds, it is recommended PSB document its policies and procedures that address inventory management and ensure a process for tracking, approving, and safeguarding inventory. Additionally, periodic staff training is recommended to promote policy understanding and the importance of compliance with federal regulations relative to the use of IDEA Part B funds. Desk policies documenting daily task of key positions should be updated, easily accessible, and readily available to ensure uninterrupted execution of key job responsibilities in the event of a turnover or absent employee.
Personnel	During the review, the Department gained an understanding of the organizational and reporting structures in place and learned that PSB has historically experienced collaboration challenges with cross departmental staff. Where there has been key central office personnel changes in recent years, including during this review, PSB should continue to improve communications across departmental staff to ensure collaboration, foster efficiency and flow of information to minimize systematic issues that may arise between the Office of Student Services (OSS) and Office of Administration and Finance (OAF).

The Department appreciates PSB's efforts and cooperation throughout this targeted fiscal monitoring review. Ongoing due diligence and staff dedication to improving systems, policies, and procedures related to IDEA Part B subrecipient grant requirements are noted and encouraged. If you have any question or comments, please contact IDEAfiscal@mass.gov.

Sincerely,

Jamie Camacho
Acting State Director of Special Education, Director of the Office of Special Education Planning and Policy

Patrick G. Fitzgerald
Assistant Director
Office of Special Education Planning and Policy
IDEAFiscal@mass.gov

cc: Susan K. Givens, Ed.D., PSB Deputy Superintendent for Administration and Finance, susan_givens@psbma.org

Karen Shmukler, Ed.D., LMFT, PSB Interim Deputy Superintendent of Student Services,
karen_shmuker@psbma.org

William Bell, Department Chief Financial Officer
William.Bell@mass.gov

Iraida J. Alvarez, Department Acting Executive Director of Special Education,
iraida.j.alvarez@mass.gov

Leif Jacobsen, Department Federal Grants Liaison
leif.jacobson@mass.gov

March 2026 Updated Response to CliftonLarsenAllen LLP ("CLA") Report

CLA was engaged by the Town of Brookline to evaluate PSB's FY25 cost overruns and FY26 projected budget deficit, as well as an evaluation of internal controls, processes and procedures related to school finance. The review was performed during spring 2025. For the review CLA interviewed 12 staff involved in the day-to-day operations of the central office from the Office of Administration and Finance (OAF), Office of Student Services (OSS), including the Deputy prior to and after her departure from employment with PSB, and the then-Superintendent. CLA reviewed supporting documentation for FY25 and FY26 budget preparation, and School Committee meeting minutes related to the above described financial situation.

CLA observations, findings and recommendations were organized into four main categories, responded to below:

Budget related observations and findings:

1. Fiscal year 2025 salary budget deficit
2. Fiscal year 2025 Special Education ("SPED") expenses
3. Fiscal year 2026 budget projected deficit
4. Growth in available revolving fund balances

Internal Controls related observations and findings:

5. Potential violations of established internal controls: Signatures on Contracts
6. Potential violation of established internal controls: CORI Checks and OSS hiring

Office of Student Services related observations and findings:

7. Misunderstanding of certain SPED requirements
8. The handling and reporting of settlements
9. Federal grant management and procurement deficiencies

Working environment related observations and findings:

10. Breakdown in inter- and intra-departmental communication
11. Lack of protection of sensitive information

It should be noted that this response to the CLA report is the product of a new senior leadership team. Except for the Deputy Superintendent of OAF who was only in her second year with the district, this team was not associated with PSB during the period of time that was reviewed by CLA. The Interim Deputy Superintendent of OSS began after the former deputy (who resigned in December 2024) departed in March 2025. The Deputy Superintendent of the Office of Teaching and Learning (OTL) was hired mid-July 2025. The Superintendent commenced her contract July 1, 2025.

It should also be noted that since the Deputy Superintendent of OAF started in fall 2023 (FY24), the budget for FY24 was built by the previous Interim in that role. Since budget development for FY25 started right after she joined, in the first six months of her first year much of that work by necessity was templated on the structure of the FY24. The Deputy Superintendent is the fourth person who has served in that role since 2021.

Budget related observations and findings

1. **FY25 salary budget deficit**

The understatement of salaries ($1,134,691) for the FY25 budget was not due to a formula error as described by CLA - the staff salaries in question were tracked separately in the spreadsheet, but at the time of budget compilation, were understood to be identified to be grant-funded. This omission exacerbated the structural financial deficit that had been carried forward from prior years.

2. **FY25 Special Education Expenses**

The CLA report identified issues with how the OSS portion of the FY25 budget was built. PSB administration had also identified those same concerns. The new Interim Deputy of OSS and Deputy Supt of OAF worked cooperatively on building the FY26 budget based on a historical analysis of all budget lines and noted trends. Per the CLA report, "[b]ased on our interviews, it appears that fiscal year 2026 was developed utilizing this approach and a new process was implemented."

3. **FY26 budget projected deficit**

The CLA report presents an 8% increase in salary from FY25 budget to FY26 based on the proposed budget. The actual increase was 5.5% in the final approved budget, which, while still outpacing inflation, is a more appropriate characterization of year-to-year salary growth. The recommendation from CLA is appropriate, to continue to work together to develop Town-PSB revenue and expense forecasts. This was adopted in the MOA signed by the Town Administrator and Superintendent in October 2025.

In terms of monitoring expenditures, the current PSB administration has had significant focus on identifying the structural underfunding. The process of building the budget for FY26 did create inter- and intra- departmental tension among prior parties as the Deputy identified the magnitude of the structural financial deficit that had been carried forward from prior years and the necessary adjustments to address the issue. Because of the underfunding, since the last override was voted in spring 2023 to support FY24-26, PSB has eliminated 20 FTEs and reduced expenses, including the K-5 World Language Program and Literacy Coaches affecting administration and general education. The initial PSB proposed FY27 budget includes an additional net reduction of 19.7 FTEs that includes a careful review of reductions across all grade levels and all departments that reflect adjustments for enrollment; subsequent cuts made have reduced another 2.4 FTE, with some reduction in service. This is a total net reduction of 42.1 FTEs since the last override. PSB also initiated a retirement incentive to faculty in the hope of replacing higher salaried senior staff with new lower salaried newer staff. Approximately 10-12 faculty are expected to take advantage of the incentive to yield lower salary costs in FY27 which will carry through the multi-year projection.

CLA also recommended close analysis of the settlements and contracted services. The initial FY27 Budget improves the positions on transportation and settlement lines. In FY27 PSB will embark on the possibility of receiving out of district students to in-district specialized programs

for a fee. Projected revenue has been incorporated into FY28 in the projected PSB mult-year financial plan.

4. Growth in available revolving fund balances

CLA's analysis of the revolving fund balances does not capture the nuance of these accounts and the reasons for growth. Specifically, the BEEP account, which accounts for roughly two-thirds of the growth, has grown due to changes in the funding obligations for preschool special education. In the case of Circuit Breaker, it should carry a full-year balance. Additionally, please note that the circuit breaker reimbursement received has grown significantly:

FY23	FY24	FY25	FY26
3,280,301	3,606,449	4,258,609	5,068,888

Under the leadership of the Deputy Superintendent of OAF the current PSB administration has closed out 30+ outstanding special fund accounts and reported on the full status of all revolving accounts. Please see the attached first and second Financial Quarterly Reports for FY26.

Internal Controls related observations and findings

5. Potential violation of established internal controls: Signatures on Contracts

PSB implements established protocols and policies to assure appropriate checks and steps are taken to ensure proper authorization of expenditures through accounts payable. PSB agrees completely with the importance of fidelity of implementation of these protocols. All steps are monitored and have been reviewed with current staff. The CLA report refers to previous staff no longer with the district.

6. Potential violation of established internal controls: CORI Checks and OSS hiring

PSB is in agreement with the concern cited in this section by the CLA report. PSB has reviewed all of its onboarding protocols to ensure all safety checks have been completed during the employment process and to increase its efficiency to allow hired staff to start service as soon as reasonable. PSB has also improved communication between payroll, human resources, and PSB Departments dependent on secure and timely onboarding practices. Protocols have been reviewed across all department heads to ensure a universal understanding.

Office of Student Services related observations and findings

7. Misunderstanding of certain special education requirements

Protocols for proper onboarding of new employees and the necessity of adhering to these protocols has been reviewed with all PSB Departments to ensure safe and timely adoption of new employees. It is appreciated that in some cases there are situations that demand urgent increase in staffing. However, no staff can commence working with students until all safety protocols have been satisfied.

8. The handling and reporting of settlements

Current OSS and OAF leadership meet regularly to review the status of out of district placement and settlement costs that may include termination, continuation, starting new, or anticipated start of new placements as an ongoing process of monitoring the cost and need for future planning. It is required that each placement must be assessed annually per the legal requirements of each student's Individualized Educational Plan (IEP). The number of settlement agreements has decreased for FY27. Although the cost of individual tuition increases annually as allowed by the Department of Elementary and Secondary Education (DESE) per placement the total tuition cost will decrease by over $600,000.

9. Federal grant management and procurement deficiencies

DESE completed a comprehensive audit of the PSB's management of the FY25 IDEA Grant. Participation and completion of the audit requirements was done by the current administration. The October 2025 final report returned with no findings and no need for any additional corrective actions. The report is attached.

Working environment related observations and findings

10. Breakdown in inter- and intra–department communication

From June to October, the Superintendent committed 200+ entry interviews with major stakeholders of the Brookline school community. Because of this concern identified in the CLA report, she determined to include each staff member situated at Town Hall. When she completed the PSB Town Hall staff interviews, she engaged an HR consultant to re-interview all PSB Town Hall staff to assess the work culture and make recommendations as appropriate. The Superintendent has drawn from the consultant's recommendations to improve working conditions in the Town Hall offices and to take steps to improve the functioning of the HR office, in particular.

11. Lack of protection of sensitive information

This allegation has been fully investigated. Any consequences have been addressed directly with impacted staff.

Additional Information

A Memorandum of Agreement Between the Town of Brookline and the Public Schools of Brookline (MOA) was executed between the Town Administrator and Superintendent of Schools for the purpose of ensuring the concerns outlined in the CLA report would not only be addressed in a timely fashion but in so doing, in collaboration, with one another's administrations. A copy is attached.

All elements of the MOA have been satisfied as follows.

1. PSB has completed and made timely presentations of its first and second quarterly budget updates to the School Committee. The reports were shared with the Town Administrator and School Subcommittee of the Advisory Committee immediately following their presentation to the full School Committee. Copies are attached.

2. The Town and PSB have reviewed three year multi year projections with each other.
3. This working group has been discussed and membership proposed. However, the group has not met yet. Due to the unexpected resignation of the HR Director and necessary medical leaves of absence for members of the district office, the capacity to move forward on this task has been delayed. However, we do anticipate being able to make good progress on this shared endeavor this spring.
4. Yes, this practice continues.
5. Yes, this practice continues.
6. The review by the School Committee of its financial policies is well underway. A draft was presented to the School Committee for its first reading at the 2/26/26 meeting. The second reading and possible vote are scheduled for 3/19/26.
7. All functions of the central office have been reviewed. A plan for reorganization which will result in a reduction of two staff (Director of Finance and one HR) positions and the addition of one (director of data and information systems) is in progress. A HR consultant is currently working with staff to support the reorganization and improvement of HR systems.
8. A Fall presentation about the OSS was made to the School Committee, December 4, 2026. A copy is attached.

Appendix: Town/School Financial Model

Appendix A: 1995 Town/School Split Memo

Appendix B: Link to Municipal Efficiencies and Cost Drivers Survey Excel Sheet

Appendix C: Building Management Considerations

Appendix A: 1995 Town/School Split Memo

MEMORANDUM OF UNDERSTANDING
TOWN/SCHOOL BUDGET PARTNERSHIP
MAY 16, 1995

The Town Administrator and Superintendent of Schools jointly recommend to the Board of Selectmen and School Committee the adoption of revised guidelines for allocating budgetary surpluses/deficits for FY97 and beyond. The revisions are the result of many meetings during the past several weeks overseen by a Selectmen's Committee of:

Thomas Hennessey, Chair of Board of Selectmen
Isabella Hinds, Chair of the School Committee
John Hodgman, School Committee Member
Betsy DeWitt, Chair of the Advisory Committee
Sergio Modigliani, Advisory Committee Member
John Deeley, Advisory Committee Member
Harvey Beth, Director of Finance
James Walsh, Superintendent of Schools
Peter Rowe, Asst. Supt. of Administration & Finance
Richard Kelliher, Town Administrator
Brian F. Sullivan, Deputy Town Administrator

The objectives of the Committee were to devise guidelines that are equitable, understandable and based upon cost allocation to the fullest extent possible. As a result, guidelines for "splitting" future surplus/deficits have been developed which accomplish the following:

- Allocates surpluses or deficits 50%/50% between Town and Schools, after deducting fixed costs from available revenues. Any future override funding is separate and distinct from this agreement and shall not affect the amount of funding to be allocated under this agreement.

- Simplifies the definition of fixed costs by reducing the number of fixed cost variables to only seven categories: (i) enterprise type operations e.g. water/sewer, refuse; (ii) SPED Tuition, plus one half all other SPED costs; (iii) student enrollments (based on formula); (iv) reserve funds (v) programs generating new revenue; (vi) debt and interest; and (vii) tax funded capital. Items such as step adjustments, election costs, retirement administration will no longer be characterized as "fixed costs". The above fixed cost items (i through vii) shall be as customarily defined in the Financial Plan and as described on pages I-9 through I-15 of the FY96 Financial Plan.

- Allocates other shared costs in proportion to actual experience each year. Such allocated costs shall include building, general services, information services, general insurance and personnel benefits.

- Requires the Schools and Town to be totally responsible for absorbing all respective personnel costs. Collective bargaining agreements, steps, fringe benefits, etc., will be allocated and will no longer be considered "fixed costs".

A few formulaic factors need to be defined in the upcoming weeks. For example, the method of calculating cost due to student enrollment growth from year to year needs to be finalized. However, these factors are expected to be resolved without much difficulty.

The cumulative effects of the changes on the FY97 budget are minimal. Despite moving from a 2/3 - 1/3 formula to a 50%-50% formula, there will be only a minor shift of resources from school to town budgets.

We believe that a formula based method of carrying out the Town/School Budget Partnership is in the best interests of the entire community. While it is recognized that this formula will need to be revisited at intervals in the case of unanticipated state mandates or extraordinary circumstances, we believe that this agreement provides year to year stability and facilitates long range planning.

We also believe that the Town/School Budget Partnership provides a collaborative planning framework in which the Town Administrator, Superintendent of Schools, and representatives of the Board of Selectmen and School Committee can jointly identify and develop planning agendas. By meeting periodically throughout each year, the above mentioned participants will both review progress toward mutually agreed upon goals and try to anticipate and plan for changes that arise externally, such as Federal and State legislation or demographics changes, technological advances, and economic downturns.

We have many challenges ahead. By working together we believe we can best meet these challenges.

Richard J. Kelliher
Town Administrator

James F. Walsh
Superintendent of Schools

Appendix B

Link to Municipal Efficiencies and Cost Drivers Survey Excel Sheet

Appendix C: Building Management Considerations (authored by Carol Levin, Advisory Committee Member)

Though the following primarily discusses matters relating to the Town and the PSB, the subcommittee would emphasize that the considerations and recommendations herein apply, in our view, to the use of Town owned assets by all departments. In that regard, the subcommittee urges the Select Board to instruct the Town Administrator to begin the process of developing and executing Occupancy and Service Agreements between individual departments and the Building Department, which would, for lack of a better term, serve as the 'Owner's Representative' in the management and maintenance of the Town's real assets. These Agreements will clarify and rationalize both operating and financial responsibilities for all Town facilities.

There has been a history of tension between the Public Schools of Brookline ("PSB") and the Town with respect to the management, care, and budgeting for the Town-owned properties the PSB uses. At one point in time, the PSB was directly responsible for these important operating considerations. That system did not work well and resulted in deferred maintenance leading to repairs and renovations, the cost of which likely would have been mitigated by the timely implementation of recommended maintenance schedules and operating procedures. As a result, the responsibility was shifted to the Town.

We understand and appreciate that the School Committee and PSB staff are rightly, and statutorily, focused on prioritizing the education of students who attend the PSB. We believe this creates an issue that cannot be resolved under the current set of operating mechanics between the Town and the Schools.

At the request of the PSB, the Town has constructed some $750 million in new and renovated buildings for use by the PSB in the last 12 years. The new facilities have not replaced all of the school buildings, and there is over a 100-year age span between the newest and oldest PSB buildings: 1912 (United Arts Building), 1920's (Baldwin) ,1930's (Lawrence, Baker, Old Lincoln), and the mid-20th century (Baker and Heath). As a result of this age span, there are now a wide variety of HVAC systems and controls the Building Department must maintain and manage. The new systems have brought exponentially more monitoring points within the properties requiring different skills and approaches to their operations and maintenance. The new buildings are more complex and expensive to manage, are larger, and are consuming more energy per square foot than the buildings they have replaced.

Since the early 2020 budget cycles, there has been disagreement between what the Division of Public Buildings believes is needed and what the PSB wants to pay for school building repair and maintenance. The Advisory Committee tried and failed to resolve this issue in 2021, and the Town-School Partnership in 2022. To be blunt, the Town and the Division of Public Buildings cannot tell the School Committee what to do with the money they are allocated. It is our view that when it comes to assets owned by the Town, the reverse should be true, particularly given both historical experience and the inherent conflict that still exists today. It seems obvious that these matters have to be optimized for the overall long-term costs associated with the facilities, and not for one budget cycle, or worse, cuts during a cycle. The Town is failing in its fiduciary responsibility to the taxpayers when the investment in the maintenance and repairs to these approximately $1.0 billion in real assets is not adequately funded.

Recommendations

It is our opinion that the operational and financial efficiency of the Division of Public Buildings, and hence the Town, could be strengthened by the execution of Occupancy and Service Agreements (OSA) with all Town departments, including the PSB. Though there may be several approaches to consider, ideally, written occupancy agreements[85] and written policies should result in improved management and budgeting for, and protection of, the Town's roughly $1.2 billion of owned buildings and related contents[86]. We are confident this can be done in a manner that does not impact the ability of the PSB and the SC to focus on their mandated educational responsibilities.

Option A

One idea is for the Town to have 100% control and responsibility for all facilities, and chargeback all departments, including the PSB, for their occupancy costs. It would be akin to a straightforward, landlord/tenant arrangement with the risks and control issues properly aligned and not muddled as is currently the case.

The term 'chargeback' is employed here to reflect an approach that allows the Division of Public Buildings and the department user to compare what was spent versus what was budgeted in a way that is more formal and granular than is done today, and insures the full occupancy cost is borne by the space user (repairs, utilities, insurance, etc.). The questions, of course, become: a) what happens if someone goes over budget, and b) what happens to revenue if someone is under budget?

[85] This concept was also suggested for the proposed pilot program between Brookline Rec and the PSB regarding after-school uses and management.

[86] This is a number that reflects current value reflective of replacement cost and insurance purposes

The Division of Public Buildings would be responsible for establishing operating budgets for each facility which would in turn be allocated among the facilities' occupants based on square footage and would incorporate, but not be limited to:

1. Utility usage based on estimated energy use, contracted utility pricing, seasonal temperature guidelines, as well as water and sewer charges.
2. Costs associated with "tenant improvements" related to changes in space use based on program additions or deletions, etc. and not otherwise funded in the Town CIP and/or the occupant's department's Capital Budget.
3. Charge back of the Division of Public Buildings' staff in keeping with industry best practices for property management, including supervisory personnel.
4. Charge back for exterior grounds keeping services provided by DPW or outside 3rd parties, including snow and trash removal.
5. Charge backs for outside vendors for repairs and maintenance when required.
6. Third party service contracts (i.e. elevator maintenance).
7. Chargebacks for required system testing and permits (life safety).
8. Higher than general CIP inflation in Building Operation and Repair costs
9. Insurance Premiums

If a department (Town or PSB) cannot support its occupancy costs, as established in their budget as determined by the Division of Public Buildings, that department, would need to reduce their space utilization the following fiscal year[87] or agree to shift funds from another part of their budget to cover the projected deficit from not reducing their space. There are possible exceptions to this rule. One example would be if the Division of Public Buildings misses the mark on fuel rates, the inability of systems to perform as forecasted, fails to provide timely maintenance services, or in the event of a fire, other emergencies, etc. Costs incurred due to the usage by third parties (after-school, extended-day, tenants (rent paying or not)) should be discussed in the appropriate OSA and charged to the third party user. If they are not, those costs are the responsibility of the department user under the OSA.

If there is a surplus, it will need to be determined whether the funds must go into the general account and flow to free cash or if it is possible to establish an energy expense/and or capital reserve fund. If the former, a policy could be considered that would flow some or

[87] The AC recommended the Pierce School debt exclusion vote be accompanied by a repair and maintenance override. Cutting the repair and maintenance, and utility budgets is a failure of the Town's fiduciary responsibilities to the taxpayers who are paying for these investments.

all the savings back to the efficient party either to support upcoming buildings expenses or some other one-time needs.

The funds could not, under any circumstances, be used for ongoing operational needs. If the latter is possible, a discussion would be appropriate to understand how to best use the funds and how to allocate them. The amounts (Building Operating Budgets) necessary for the Operations (Utilities), Repairs and Maintenance would be determined by the Division of Public Buildings, and, in the case of the PSB allotment, would be considered an "above the line" item. This would mean that the Town/School split would result in an amount going to PSB that is net of the Building Operating Budgets and, therefore, be devoted in their entirety to educational needs.

Option B

A variation of the handling of the chargebacks would be that the Building Operating Budgets are set by the Building Department, but the funds are not taken above the line. The Building Department would charge PSB as costs are incurred against the Building Operating Budgets but paid by PSB from their accounts.

One advantage to such an approach is that PSB retains an incentive to be efficient in its use of the facilities, and to the extent that funds are not expended, could have those available for other educational uses.

Town Subcommittee Appendices

Appendix A: FY26 Public Safety Overtime

Appendix B: FY25 Fire Leave and OT Memo 2-11-25

Appendix C: FY25 Fire Reserve Fund Transfer Memo v3

Appendix D: Y24 Fire Leave OT Memo Q2

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BROOKLINE MASSACHUSETTS

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Memorandum

To: Advisory Committee
From: Charlie Young, Assistant Town Administrator for Finance
Date: October 3, 2025
Re: **FY26 Public Safety Overtime**
CC: Charles Carey, Town Administrator; Melissa Goff, Deputy Town Administrator for Policy and Fiscal Affairs

Public safety overtime continues to be a focus area for the budget team in Fiscal Year 2026 ("FY26"). This memo provides an update on overtime, leave trends, and factors influencing these budgets. **Please be aware that the projections included herein are early estimates and these figures could evolve considerably throughout the course of the fiscal year**.

FY26 Fire Overtime

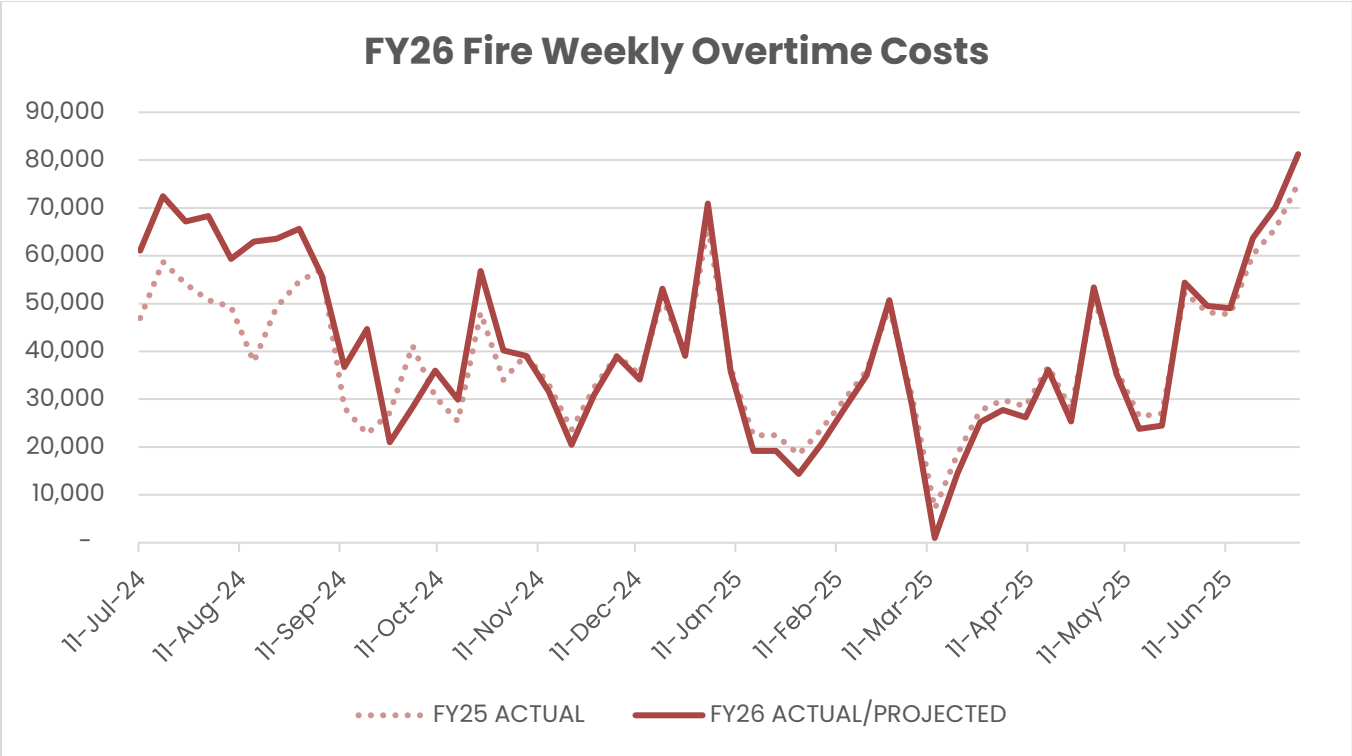
Introduction: Fire Department overtime is driven by coverage for firefighter absences and vacancies in accordance with contractual staffing requirements. The Fire Department's summer vacation schedule frontloads overtime costs in the first few months of the year, after which the costs typically decrease on average through the remainder of the year. Using year-to-date ("YTD") costs and applying the average weekly increase over the prior year, as well as assumptions for known changes in staffing, the department is projected to end in a deficit of **-$861k**, which is 61k or 6.6% higher than FY25.

Fire Department Historical Overtime

	FY22	FY23	FY24	FY25	FY26 Proj	+/-	% +/-
Budget	$725,477	$725,477	$792,747	$1,092,747	$1,092,747	*$0*	*0.0%*
Actual	$2,780,993	$1,896,059	$2,073,965	$2,002,493	$2,141,102	*$138,609*	*6.7%*
Overtime Surplus/Deficit	($2,055,516)	($1,170,582)	($1,281,218)	($909,746)	($1,048,355)	*($138,609)*	*10.8%*
Actual/Projected Deficit	$1,490,357	$816,000	$934,159	$800,000	$861,341	*$61,341*	*6.6%*

Vacancies: The department is carrying six vacancies in FY26, however, three of these are in training to begin work in October. While in training, the department covers their absence with overtime and does not benefit from savings had the positions otherwise been vacant. This should lead to reduced overtime after October and is factored into these projections.

Weekly Costs: FY26 weekly costs of overtime were up 30% over the summer vacation period. The below projection assumes costs will follow a similar trend as the prior year, applying the year over year increase in weekly costs and an assumption for new hires coming onboard.

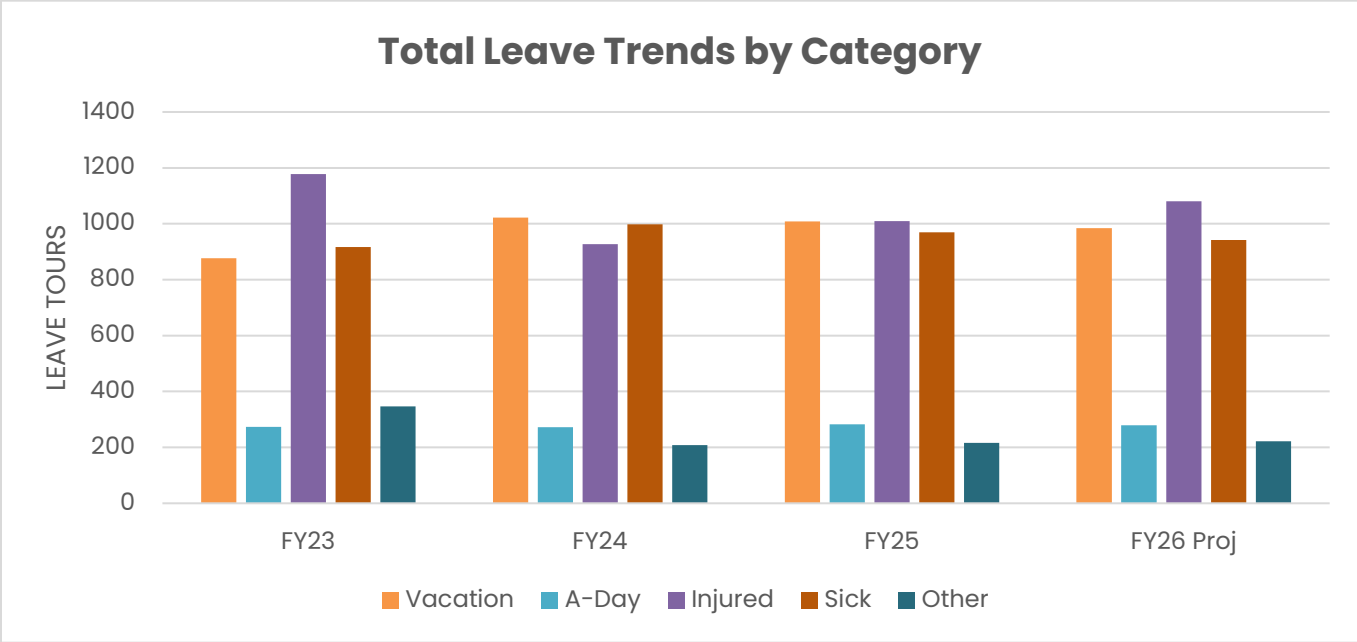


Year-to-date Leave: Leave use has a significant impact on overtime costs. Firefighter absences and leave are up by 3% or ~31 tours through the first three months of FY26. Below are year-to-date and total projected leaves/absences through FY26 year end.

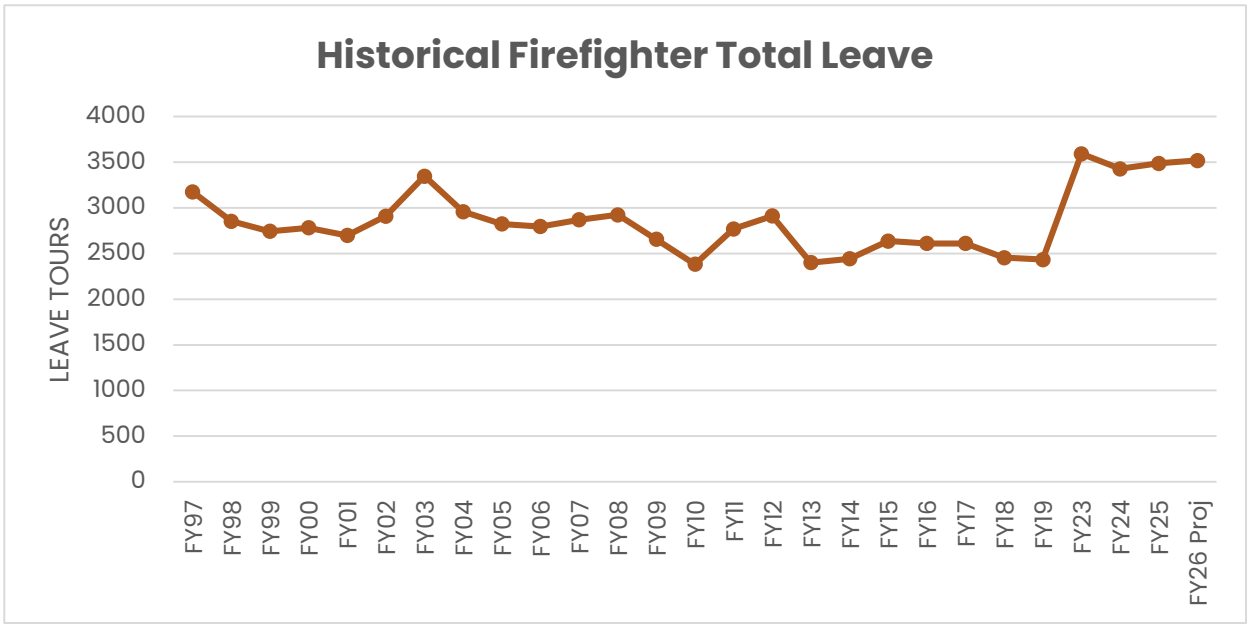
	YTD Absences (tours)			Total Absences (tours)		
	FY25	FY26	Δ	FY25	**FY26 Proj**	Δ
Vacation	374	351	*-6.1%*	1009	986	*-2.3%*
A-Day	40	38	*-5.0%*	283	281	*-0.7%*
Injured	241	315	*30.7%*	1010	1084	*7.3%*
Sick	235	210	*-10.4%*	970	946	*-2.5%*
Other	62	69	*11.3%*	216	223	*3.2%*
Total	952	983	*3.3%*	3487	3519	*0.9%*

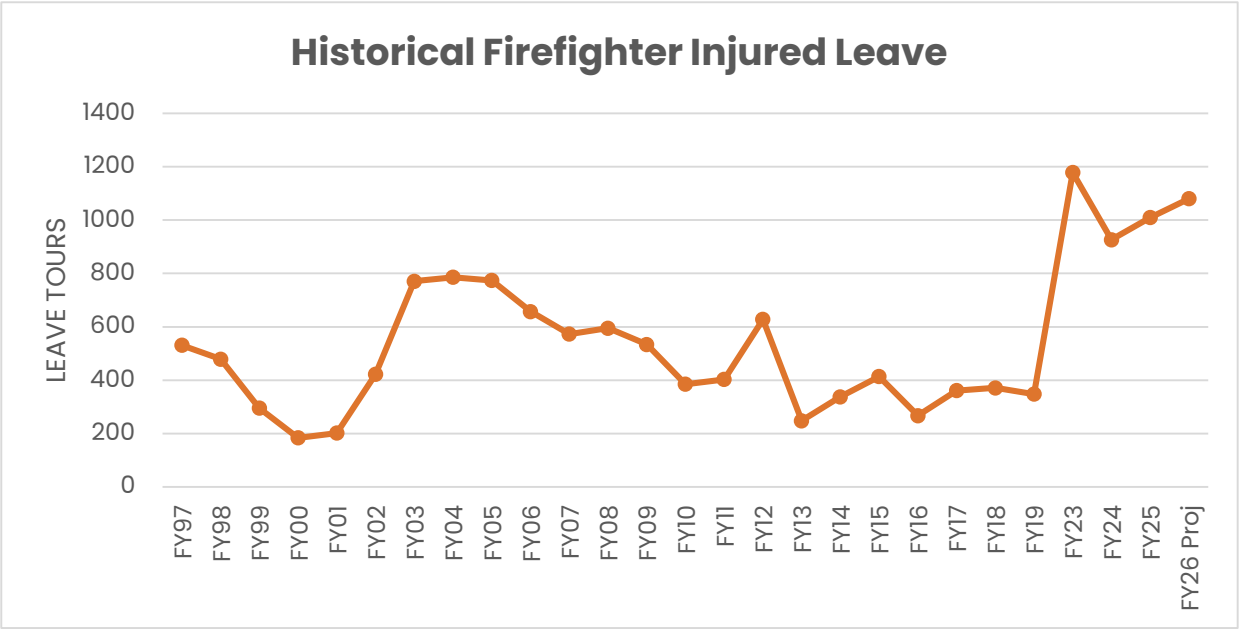
A few categories of leave are down (Vacation, Personal, and Sick), while the most significant increases are in Injury leave **(+30%)** and Other leave (+11.3%), the latter of which includes long-term sick cases not yet classified as injured-on-duty. Overall leave is projected to be up just 1% in total, following the trend of recent years, with injury leave driving the increase. Other categories may be lower due to vacancies, which if filled would have the most impact on the FY27 summer vacation period.

Leave Trends: Overall projected firefighter leave and absences continue along a similar trend as in recent years, with the most significant variance under injured leave.



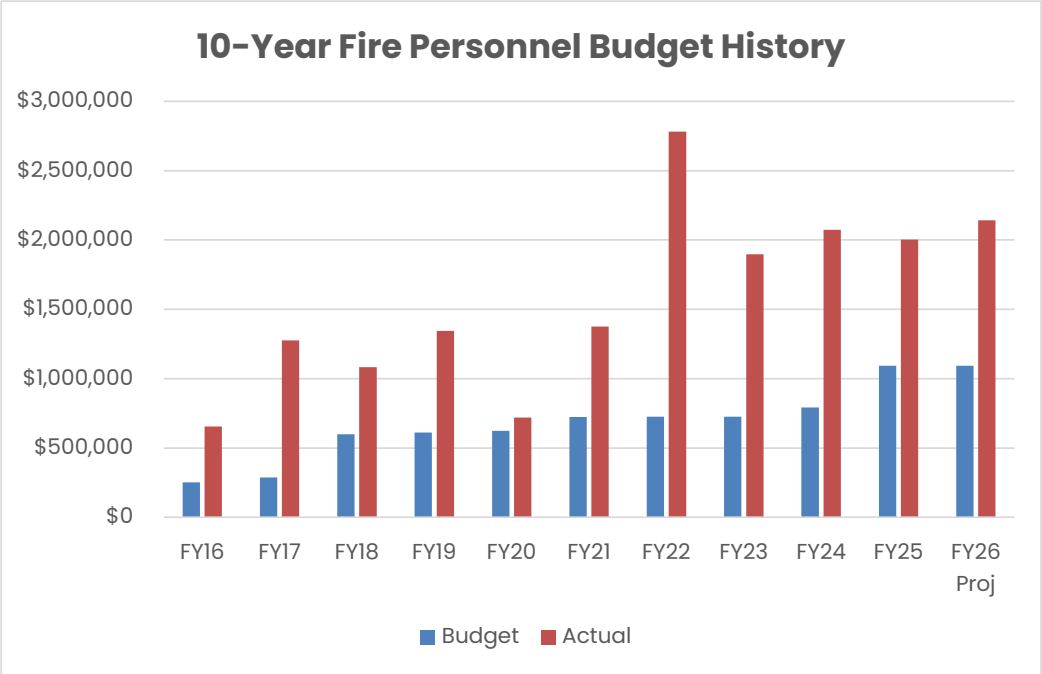
Injured-on-duty Cases: The Fire Department currently has 17 firefighters absent on injured-on-duty ("IOD") leave, which is up from 8 at the beginning of last fiscal year. Other categories of leave have decreased marginally, but with injury leave at historically high levels, the department is starting each work day with fewer staff prior to other firefighters taking leave. The below charts compare total historical leave and IOD absences on the same timeline. Data was not collected for FY21 and FY22.



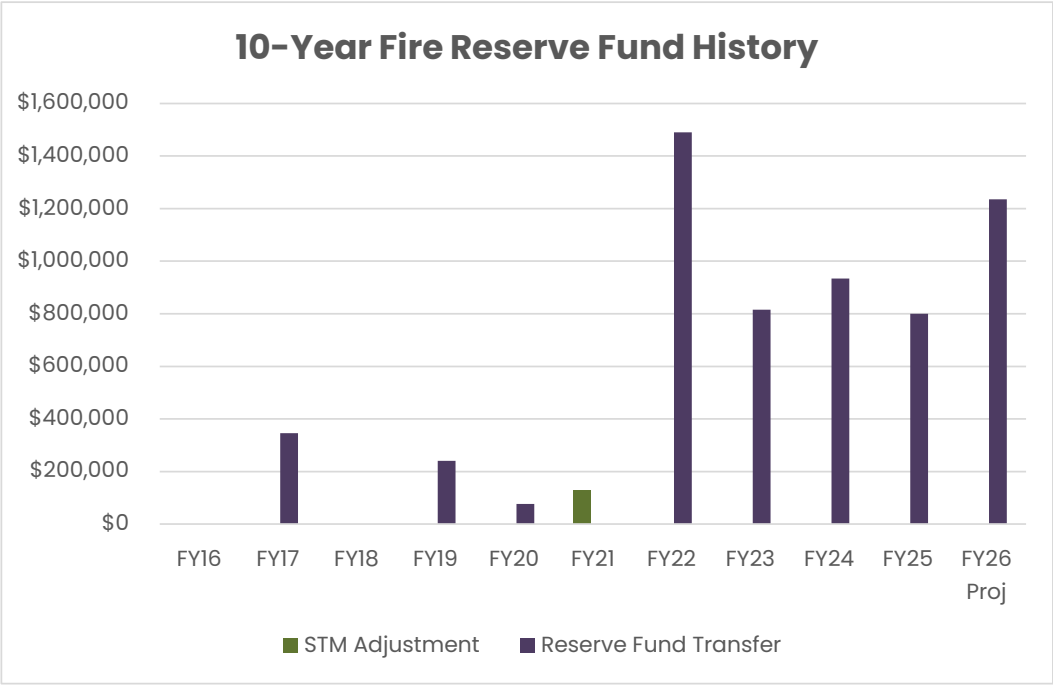


Note the budget team has considered the cost of hiring to backfill IOD absences and it was determined this would cost more than it would save in overtime. The Fire Chief continues to utilize available measures to reduce the likelihood of injury, manage injury cases, and return recovered firefighters to modified duty wherever possible, but changes to eligibility for IOD and longer wait times to see medical professionals[1] are leading to longer time spent on IOD.

Contractual Time: A prior deal with the Fire union for FY13-F17 included a guarantee to grant a minimum of five vacation/personal days each day. At the time, IOD cases ran at a relative historical low- meaning the roster could support these without impacting the overtime budget, which was not increased to account for this provision. A few years later in FY21, IOD reached a record high of 21 cases. This number dropped to 9 by FY24, but has since regressed.



[1] Doctor Wait Times Average One Month In U.S: Forbes



If the roster were healthier overall, the five guaranteed days would be covered by other firefighters' regular shifts. With so many injuries and other leave remaining high, the guaranteed days triggered 1,104 overtime shifts in FY25 causing at least $1.35M[2] in overtime costs. Of these, 721 tours were triggered by firefighters on IOD leave for at least $886,687 in overtime costs.

Overtime Costs as a Percentage of Budget: Overtime is 5.9% of the Fire personnel budget in FY26.

Other Communities (surveyed and responded)

	Budgeted	Actual
Brookline (FY26 Proj)	5.9%	11.6%
Burlington	21%	25%
Randolph	7.5%	10.5%
Reading*	8.4%	8.4%
Somerville*	13%	13%
Watertown*	18.8%	18.8%
Wellesley*	20%	20%
Weston*	11.4%	11.4%

*Actuals at or below budgeted percentage.

The budget team conducted a survey of Greater Boston communities to compare budgeted levels of overtime with other departments. Each of these communities operates on a lower minimum staffing standard than Brookline, but still budget twice as much or more for overtime in all cases except Randolph and Reading. Note that this analysis doesn't account for other differences in operations or environment.

[2] Based on step 4 overtime rate, using daily staffing counts to determine number of overtime tours required each day, and calculating how many of those were within the five guaranteed days.

FY26 Police Overtime

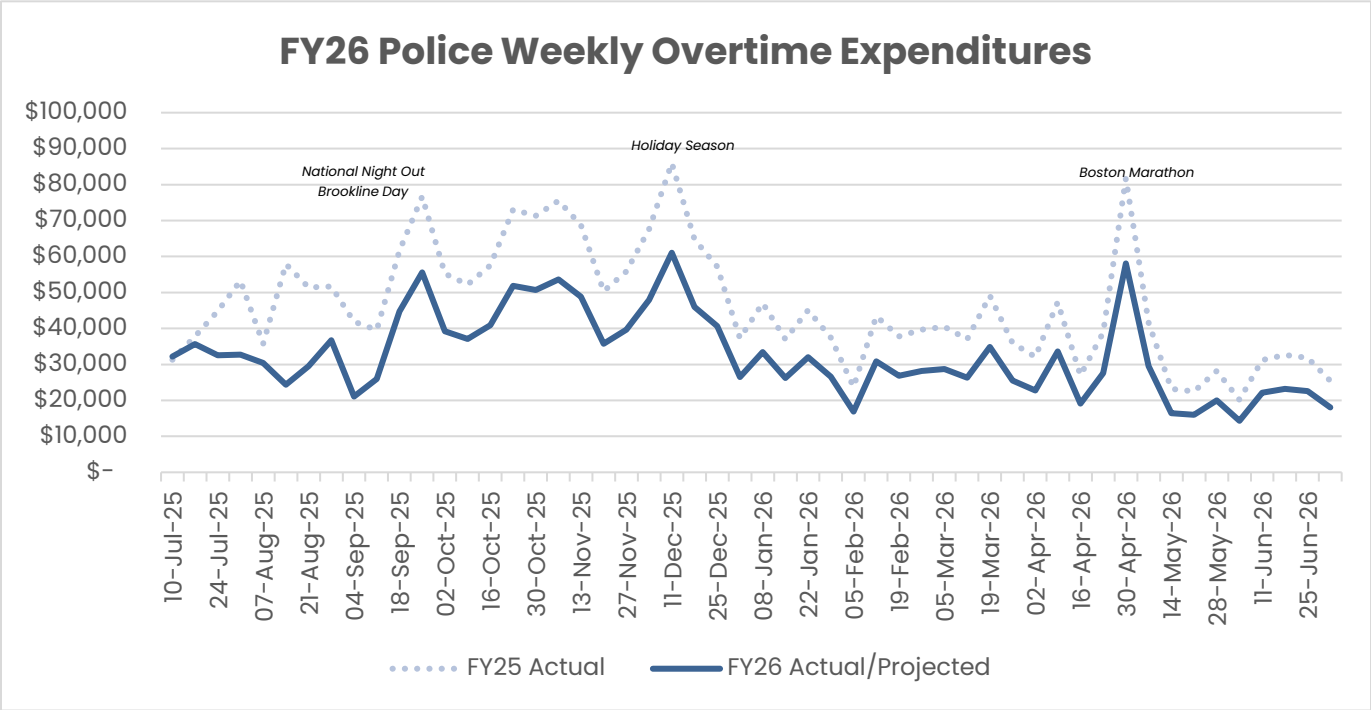
Introduction: The Police Department accrued a significant overtime deficit during FY25, which required a reserve fund transfer of $900k to resolve. The department started FY26 with fewer vacancies than it did the year before, which has provided relief to the budget in addition to operational changes undertaken to reduce the burden of overtime. Police overtime is not seasonal like the Fire Department, so using inflation-adjusted prior year costs and factoring in known expenses through year end, the Police Department is projected to face a substantially lower deficit of just **-$57k**.

Police Department Historical Overtime

	FY22	FY23	FY24	FY25	FY26 Proj.	+/-	% +/-
Budget	$587,863	$668,779	$665,156	$841,955	$1,060,629	*$218,674*	*26.0%*
Actual	$1,604,065	$1,712,629	$2,228,902	$2,417,473	$1,700,621	*($716,853)*	*-29.7%*
Overtime Surplus/Defic	($1,016,202)	($1,043,850)	($1,563,746)	($1,575,518)	($639,992)	*$935,527*	*-59.4%*

Vacancies: The FY26 financial plan continued to hold open 6 police officer positions, funding the department at 128 sworn positions instead of 134, which contributes to overtime when the department is short in covering for a shift. In addition, the department has 8 vacancies in FY26 further contributing to shift shortages. We anticipate hiring 2-3 lateral officers in November, which should lead to a slight decrease in overtime and is factored into the above projections. Two retirements are anticipated within the next year that will offset these and increase overtime costs until those positions can be backfilled.

Weekly Costs: Overtime costs are down **-29%** per week on average, which when coupled with carrying fewer vacancies is leading to a lower overtime projection. While fewer vacancies and timing of trainings may change the actual weekly costs, below is a projection of weekly costs through year end using prior year costs and assumptions for known changes in personnel.



Overtime Causes: Unlike the Fire Department, Police overtime has a variety of causes, which the Public Safety Business Office has begun using new codes to track starting in June. In that time, overtime tours decreased from 422 shifts in June to 341 in July and rebounded to 471 in September. The most significant causes were for shift shortage, training, and coverage for Brookline Day (shown below under Other Town Departments). Operational adjustments included a significant reduction in community service overtime and restricting detective overtime to work related to serious crimes.

Overtime Shifts by Category

	FY25	FY26			
	June	July	August	Sept	Total
Shift Shortage	117	128	131	145	404
Shift Shortage Due to Comp Time	63	74	49	65	188
Comp Time in Lieu of OT	82	49	63	76	188
Court	7	12	6	12	30
Investigations, Follow-ups, Other	41	33	26	49	108
Extended Tours	28	11	26	19	56
Other Training	9	2	6	32	39
Grants	3	2	3	0	5
Traffic Admin	29	19	13	9	41
School Traffic	4	0	0	4	4
Other Town Departments	10	4	9	50	62
Community Service Division/Events	0	0	8	5	13
Fenway Tagging	4	3	3	1	6
Peer Support/CISM	8	5	10	5	20
PCO Tagging	17	0	0	0	0
Total	422	341	353	471	1164

Shift shortage does not directly cause the same overtime issues in Police as it does in Fire, however, it is still the largest category of overtime. In addition, there are substantial banks of compensatory time that are adding to shift shortages as shown in the third row above. The Grants category of overtime does not directly impact the overtime budget, however, it is included here for reference.

Leave Trends: Shift shortage is being driven primarily by the combined 14 open positions in Police, however, the Public Safety Business Office has started also tracking absence/leave figures since FY24.

	YTD Absences (shifts)				Total Absences (shifts)			
	FY24	FY25	**FY26**	Δ	FY24	FY25	**FY26 Proj**	Δ
Vacation	833	833	1027	*23.3%*	2292	2601	2795	*7.5%*
A-Day	133	203	157	*-22.9%*	749	928	882	*-5.0%*
Injured	159	158	135	*-14.6%*	748	730	707	*-3.2%*
Sick	350	353	371	*5.3%*	1401	1484	1503	*1.3%*
Comp	478	478	559	*17.1%*	2244	1939	2020	*4.2%*
Other	68	67	44	*-34.3%*	184	270	247	*-8.5%*
Total	2020	2091	2293	*9.7%*	7618	7952	8154	*2.5%*

Overall YTD leave is up by **+9.7%** in FY26 and projected to be up by 2.5% by year end. Overtime tracking recorded 404 overtime shifts due to shortage in FY26, as shown in the overtime by category table above, which are influenced by these leave figures to a certain extent. As the PSBO continues to gather data on leave use and overtime causes, there may be insights to be gained on the connections between leave trends and shirt shortages.

END OF DOCUMENT

OFFICE OF SELECT BOARD

MEMORANDUM

TO: Chas Carey, Town Administrator
FROM: Charlie Young, Assistant Town Administrator for Finance
RE: FY23-24 Fire Department Overtime and Leave
DATE: February 28, 2024

The Fire Department experienced high levels of leave utilization in Fiscal Year 2023 ("FY23"), which when combined with other pressures over the past several months, has led to sustained burden on the overtime budget in FY24. The following is a summary of the Fire Department's overtime and leave experience and a projection of the Fire personnel budget for FY24 year end:

Prior Year Summary

Total overtime at the end of FY23 was $1,896,059, which is a $884,933 (32%) decrease from the FY22 total of $2,780,992. This represents progress towards mitigating high overtime costs in the department, but FY23 overtime was still $1,170,582 over budget. The department carried a few vacancies during the year, which did help to offset this overage. Despite realizing salary savings though, a reserve fund transfer of $816,000 was needed to cover the year end deficit in Fire personnel. While data was not readily available for FY20-22, the following paragraphs examine the FY24 leave experience to date compared with FY23 and with pre-pandemic levels.

FY24 Leave Utilization

Leave utilization through January 2024 is down by **-9.1%** compared to the prior year. Multiple categories are level or showing a decrease, except for a 2.8% increase in administrative leave ("admin leave" or "A-Day") tours and a 6.7% increase in sick leave tours. The following table summarizes these changes:

	LEAVE TOURS YEAR TO DATE*		
	FY23	**FY24**	**Δ**
Vacation	659	663	*0.6%*
A-Day	141	145	*2.8%*
Injured	640	526	*-17.8%*
Sick	431	460	*6.7%*
FMLA	122	102	*-16.8%*
Other	199	96.5	*-51.5%*
Total	2192	1992	*-9.1%*
**Includes tours from July to January of each fiscal year shown*			

In order to understand how this will impact the overtime budget, the table below compares this data with pre-pandemic levels. Injury leave is still up by 186% compared

to FY18. This category is anticipated to decrease in FY25, as the number of injured cases has decreased from 9 to 7 during the course of this fiscal year. Admin leave is down by 7.6%, but all other categories are showing increases since that time. Overall, leave utilization is still **36%** higher than pre-pandemic levels.

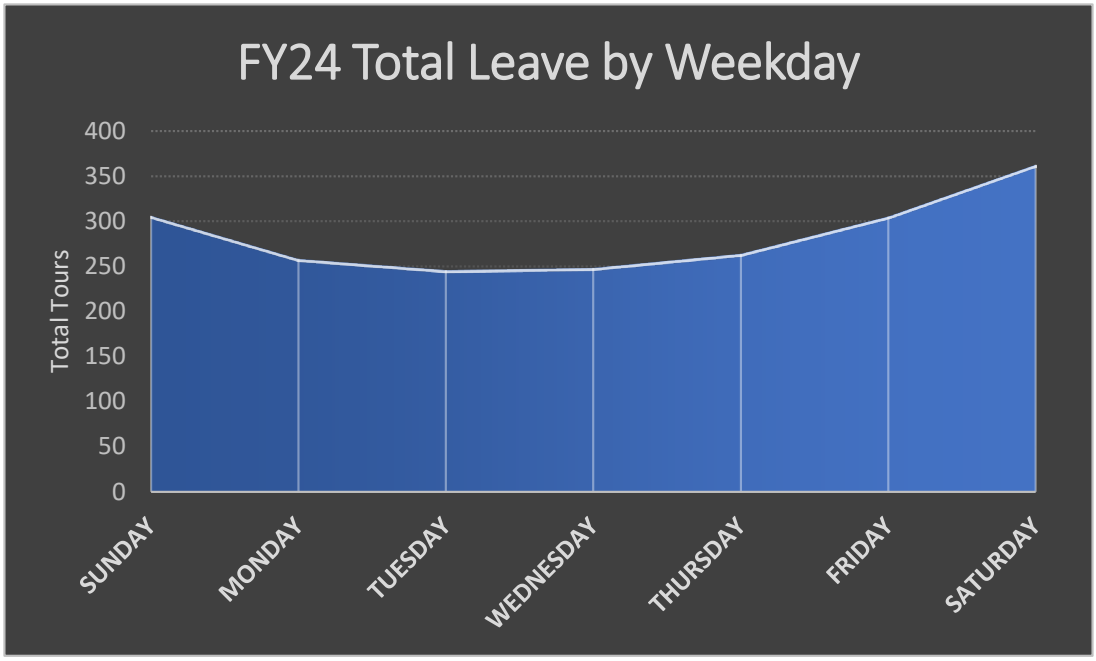
	LEAVE TOURS YEAR TO DATE*				
	FY18	FY19	**FY23**	**FY24**	Δ
Vacation	640	616	659	663	*3.6%*
A-Day	157	188	141	145	*-7.6%*
Injured	184	188	640	526	*185.9%*
Sick	309	335	431	460	*48.9%*
Other	174	151	321	198	*13.8%*
Total	1464	1478	2192	1992	*36.1%*
**Includes tours from July to January of each fiscal year shown*					

To further illustrate this trend, the following table represents each category on a per-firefighter basis. Leave utilization through January has increased by **three tours** per firefighter since FY18. While this metric is down from FY23, it is still out of alignment with historical patterns and will be key to understanding whether or not this should be considered a new normal level for the department. Importantly, vacation usage is roughly on par with pre-pandemic numbers, while categories such as injured and sick are the farthest out of alignment.

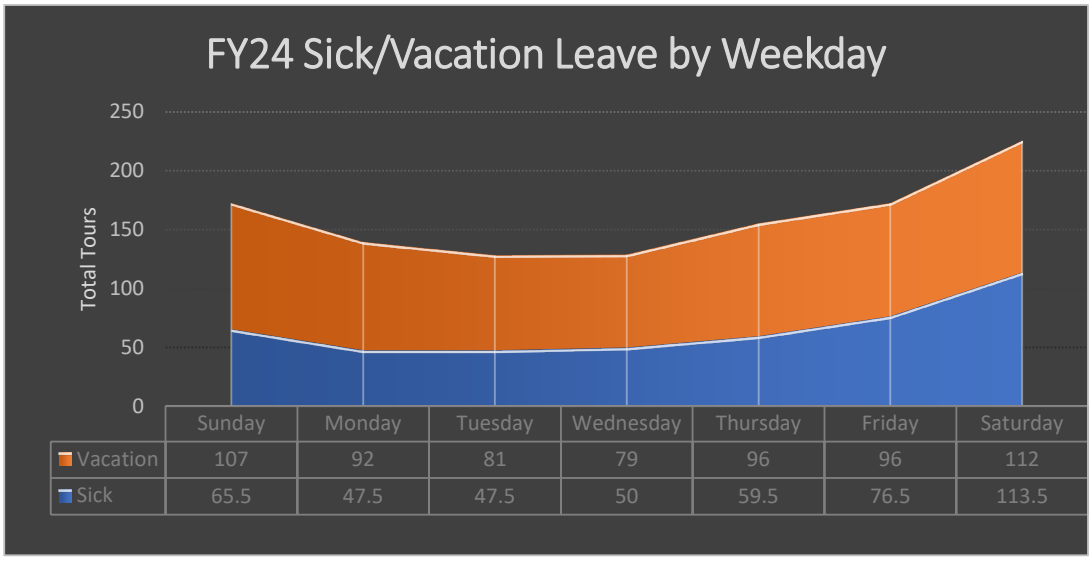
	LEAVE TOURS PER FIREFIGHTER YEAR TO DATE*			
	FY18	FY19	**FY23**	**FY24**
Staff (FTEs)	151	151	152	152
Vacation	640	616	659	663
Per FF	4.24	4.08	4.34	4.36
A-Day	157	188	141	145
Per FF	1.04	1.25	0.93	0.95
Injured	184	188	640	526
Per FF	1.22	1.25	4.21	3.46
Sick	309	335	431	460
Per FF	2.05	2.22	2.84	3.03
Other	174	151	321	198
Per FF	1.15	1.00	2.11	1.30
Per FF Total	9.70	9.79	14.42	13.11
**Includes tours from July to January of each fiscal year shown*				

FY24 Leave Patterns

There is a clear bias towards taking leave on weekend days. The following charts demonstrate how leave usage varies by day of the week in FY24. The first chart includes all leave types, while the subsequent chart narrows to sick and vacation.



The trend toward greater leave utilization on weekend days is more prevalent for sick and vacation days. These leave categories are 75% higher on Saturdays than they are on Wednesdays, for example. Shift counts are included below the chart to further illustrate the bias towards weekends.



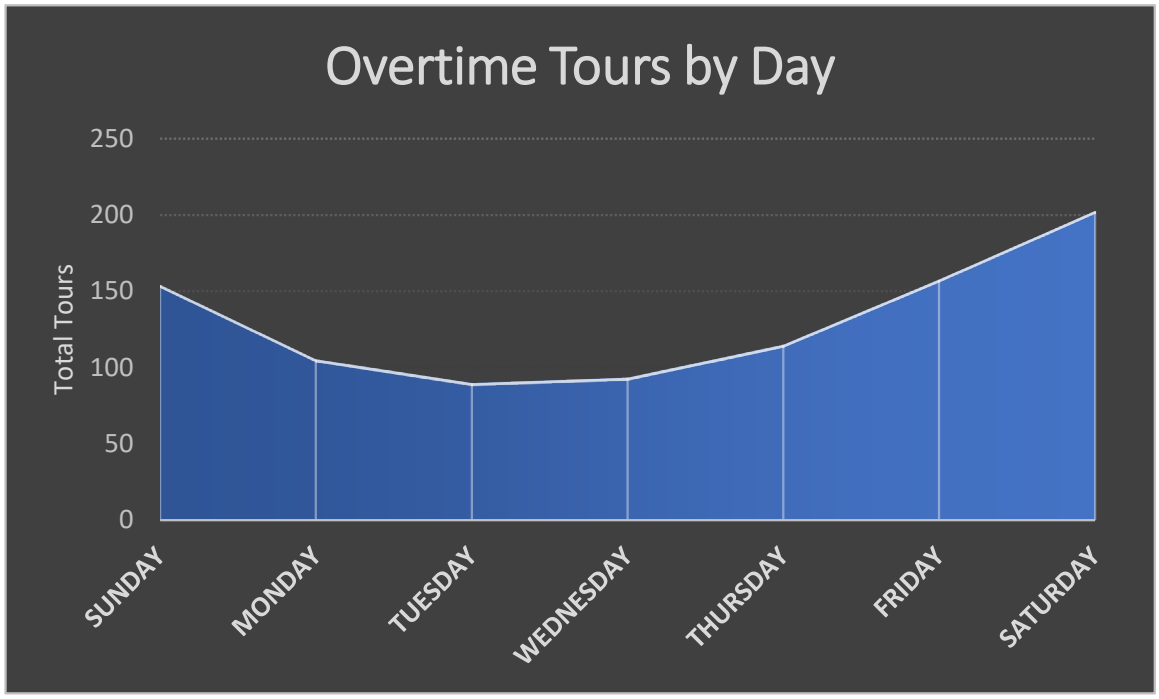
	Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
Vacation	107	92	81	79	96	96	112
Sick	65.5	47.5	47.5	50	59.5	76.5	113.5

Although sick time is highest on weekends, it is noticeably lower on holidays, with zero sick leave days taken on Independence Day, Labor Day, Thanksgiving, and New Year's

Day in FY24. Three were taken on Indigenous People's Day and just one sick tour was taken on Veteran's Day, Christmas Day, and Martin Luther King Jr. Day, which was a long-term sick leave case.

Contractual Leave and Minimum Staffing

Although overall leave utilization is down from the prior year, the overtime budget has been pressured by other sources in FY24. In order to understand these pressures, it is helpful to distinguish between overtime caused by leave that the Fire Department is obligated to grant as a result of the contract and other obligated leave. Per the union contract, the department must grant a minimum number of five vacation and admin leave days. Other kinds of leave such as injured-on-duty (IOD), sick, or FMLA are granted over and above the contractual minimum. 59% of all leave taken in FY24 has been in this category of other leave, or a total of 1,184 tours. Approximately 918 of those tours resulted in overtime coverage. The following chart highlights overtime coverage by day of the week.



As shown above, the amount of overtime coverage required is not consistent and varies day to day with a continued pattern of clear bias towards the weekend. This variability contributes significantly to overtime costs, particularly when several or more firefighters take leave on a specific day and trigger minimum staffing.

To further explain, a fully staffed group of firefighters could fulfill the five contractual days and still have room for three firefighters to use other leave before overtime coverage would be required to meet minimum staffing, but this becomes more difficult when the department has vacancies or members out on injured-on-duty leave. On these days, the department could begin the day without sufficient staff to meet minimums after only granting the five contractual days. This occurred on 48 days in FY24 causing 318 tours

to require overtime coverage – at just an average firefighter's salary this would amount to $390,157 in overtime costs[1]. On one of these days, September 1st, six contractual vacation days were granted, which caused the department to begin the day with one fewer firefighter than was needed to meet the minimum count. Then, 11.5 other leave days were taken including 5.5 sick days. This resulted in a total of 12.5 overtime tours in one day – at just an average firefighter's salary this cost the town $15,312. As a reminder, this was three days before there were zero sick days taken on Labor Day.

Date	Day of Week	Staffing	Contractual Days	Above/Below Minimum Staff	Other Leave	Overtime Tours
Sep. 1	Friday	34	-6	-1	11.5	12.5

Contractual Leave and Minimum Staffing - Additional Pressures

There have been two factors adding to the pressures caused by contractual leave and minimum staffing:

1. Deputy Chiefs: Prior to the latest collective bargaining agreement with the Fire union, Deputy Chiefs were not included in the minimum number of leave days that the department must grant on a daily basis. The latest agreement includes their vacation and admin days in the five contractual days, which should have the effect of reducing the impact of overtime for deputy chiefs. Now, their vacation and admin days will not count above the minimum. Before this change, nearly all deputy chief leave caused either overtime for another deputy chief or working out of class costs for a captain. At an average deputy chief's salary, adding deputies into the count is estimated to save the Town up to $76,173[2] annually.

   This had an unintended impact on FY24 summer overtime costs. Since the contract including this provision was settled after summer vacations were determined, and by contract vacations must be finalized in advance of summer, deputy chief leave increased the count over the contractual minimum number of days on several occasions[3]. Each occurrence required overtime to cover for the deputy chief now included in the count. The following table looks at each of these instances and estimates a minimum cost to the Town of $34,822 as a result of the timing of the fire union contract in FY24:

Summer Leave Month	Tours
July	5
August	10
September*	1
Total Tours Over the Count	16
**Through Labor Day*	

	Cost
Average Deputy Chief OT Rate	$ 90.68
Total Estimated Cost	$ 34,822

[1] This figure does not factor in OT rates for captains, lieutenants, and deputy chiefs, which would increase the total cost of leave exceeding the five contractual days.
[2] Based on five weeks of vacation at the overtime rate for four deputy chiefs.
[3] Includes September 1st shown above.

2. Vacancies: There are currently a total of seven vacancies within the department due to retirements in FY24, which have placed additional burden on the overtime budget. In essence, the number of days where the department begins with fewer than one non-contractual day has increased since these vacancies opened up, resulting in fewer days where no overtime coverage is necessary to meet minimum staffing. A new class is anticipated to join the force in May 2024, which will not have significant benefit to the FY24 budget, but will nevertheless position the department for a better overall leave and overtime experience in FY25 with full staffing. The lack of any benefit in the current year is due to the new class being on payroll during the time they are in academy – necessitating their shifts be covered without salary savings to offset the resulting overtime costs.

FY24 Budget Projection

Overtime costs through January 2024 total $1,300,648, which is $102,499 or 8.55% higher than the prior fiscal year after adjusting prior year costs for the wage increase in the latest fire union contract. While the above analysis suggests leave utilization has decreased from FY23, total leave utilization is still high compared to pre-pandemic levels, particularly in the areas of sick and IOD. While the change to deputy chiefs being in the count will save money in future years, it had twofold negative impacts on FY24. Deputy chief leave both increased OT during summer leave and negated savings from deputies being included in the count, since much of vacation is taken in the summertime. In addition, vacancies in the department due to retirements have added further pressure to the Fire personnel budget in FY24.

	FY20	FY21	FY22	FY23	FY24**
Budget	$654,060	$723,476	$725,477	$725,477	$792,748
Actual	$719,011	$1,375,259	$2,780,993	$1,896,059	$2,097,417
Surplus/Deficit	($64,951)	($651,783)	($2,055,516)	($1,170,582)	($1,304,669)
Reserve Fund Transfer*			$1,490,357	$816,000	$893,354

**Remainders covered by salary savings, except in FY21 where STM increased OT budget.*

***End of Year Projection*

At this time, the overtime budget for the Fire Department is anticipated to be $1,304,669 in deficit as shown on the table above, however, the Town has accumulated salary savings from vacancies to offset the total deficit. It is estimated that the overall personnel budget will realize $411,315 in savings from vacancies, and other surplus personnel accounts, for a total projected Fire personnel deficit of **$893,354**.

Conclusion

In closing, I would like to recognize Chief Sullivan's efforts to manage the impact of leave utilization on the Fire Department's budget and operations. This analysis has been made possible and enhanced by the Chief's detailed and timely reporting of the leave figures included herein.

Notably, the total number of firefighters out on IOD has decreased from 21 to 9 since 2021, thanks in part to the Chief's cooperation with Human Resources to closely manage and monitor those cases effectively and in part to the modified duty provisions added in the recently settled contract. The decrease in IOD cases has been followed by a decrease in deficits. The FY24 deficit is also projected well below FY22 levels, but a significant gap remains. With the department's seven vacancies filled, and with deputy chiefs being on the summer vacation schedule as intended, some budget pressure will be relieved going into FY25. An influx of funds in the FY25 overtime budget to reflect the possible new normal of higher leave utilization would help to further reduce this ongoing deficit.

OFFICE OF THE SELECT BOARD
MEMORANDUM

TO: Advisory Committee

FROM: Charlie Young, Assistant Town Administrator for Finance

RE: Fire Department Request for Reserve Fund and Appropriation Transfers

DATE: July 2, 2025

The following memo details the attached Fiscal Year 2025 ("FY25") reserve fund transfer request related to Fire Department overtime.

Introduction

The Fire Department's personnel budget is projected to be $800k in deficit at the close of FY25. This deficit was anticipated in the March leave and overtime memo, which included analysis of leave trends and their continued impact on the Fire budget. Total FY25 overtime expenditures of $2M represent a -$71k or -3.4% decrease over FY24, though costs are still $600k higher than any year on record prior to FY22.

Historical Overtime Budget

	FY21	FY22	FY23	FY24	FY25	+/-	% +/-
Budget	$723,476	$725,477	$725,477	$792,747	$1,092,747	*$300,000*	*37.8%*
Actual	$1,375,259	$2,780,993	$1,896,059	$2,073,965	$2,002,493	*($71,472)*	*-3.4%*
Overtime Surplus/Deficit	($651,783)	($2,055,516)	($1,170,582)	($1,281,218)	($909,746)	*$371,472*	*-29.0%*
Resolution:							
Salary Savings*	$651,783	$565,159	$354,582	$347,059	$109,746	*($237,313)*	*-68.4%*
Reserve Fund Transfer		$1,490,357	$816,000	$934,159	$800,000	*($134,159)*	*-14.4%*

**Amount saved from open positions, except in FY21 where STM increased OT budget.*

The $900k deficit in the overtime account is being offset by savings accrued while positions were vacant throughout the year, often referred to as salary savings, which is lower than the previous year due to experiencing fewer vacancies in FY25. The reduction in salary savings occurred as a result of filling those vacancies, which did not lead to a corresponding decrease in overtime costs. This is consistent with prior

analyses that concluded adding firefighters is not an effective tool for reducing overtime costs, since they are not likely to cover more than one overtime shift per week and will also take leave that will require shift coverage.

Leave Trends

The leave analysis completed in March predicted total leave would increase by 4.7%, however, the actual increase over FY24 was just 1.7% due to a lower than anticipated sick leave experience during the final months of FY25. Sick tours are down -2.8% over FY24.

	Total Leave (tours)						
	FY18	FY19	FY23	**FY24**	**FY25**	1yr Δ	5yr Δ
Vacation	979	933	877	1022	1009	-1.3%	3.1%
A-Day	265	319	273	272	283	4.0%	6.8%
Injured	371	348	1178	927	1010	8.9%	172.1%
Sick	502	568	917	998	970	-2.8%	93.2%
Other	337	266	347	209	216	3.5%	-36.0%
Total	2454	2434	3592	3428	3487	1.7%	42.1%

Total leave is still 42% higher than in FY18, which is the primary driver behind this recurring deficit. While not all leave tours result in overtime, the total number of overtime tours has increased from 978 in FY18 to 1289 in FY25, or a 32% increase. Total expenses are up by 46% in this time, which corresponds with additional overtime tours and added compensation. Whether an absence requires overtime coverage depends on several factors, which are further discussed in the March memo, but it's clear from these figures that higher absenteeism is contributing significantly to the present deficit. One such factor includes the requirement to grant a minimum of five vacation tours[1] each day under the collective bargaining agreement which, when combined with high levels of injured-on-duty leave, often result in the department starting the day at or below the required minimum staffing levels before all other types of leave.

Injured-on-duty leave continues to be almost **three times higher** than FY18 and while changes in oversight have led to a reduction in these figures, the number of cases appears unlikely to decrease meaningfully in the coming years. Between the five vacation days, and the current 15 injury cases[2], the daily compliment frequently begins with five on vacation and three out on injury leave. The department has also been operating with five vacancies this year, further reducing the staff available to meet daily staffing requirements by up to one per day.

[1] Six including earned personal days during the summer vacation schedule.
[2] Down from 21 cases in FY21.

Next Steps

Town Administration are exploring all available avenues for reducing the burden of overtime on the Fire budget. As described in prior leave memos, the Fire Chief has coordinated with Human Resources to implement modified duty and increase oversight for injured-on-duty cases. The Town has negotiated changes to sick leave and recently reached an agreement with the Local 950 Firefighters Union that includes a new weekend differential stipend designed to reward firefighters for coming into work on the weekends and reduce the cost of higher sick leave figures on those days, especially around holidays. While our analysis suggests this could save on overtime costs if it results in reduced absences, the present gap of $750k is too great to absorb into the budget without a more significant reduction in leave or an override vote by the community. If the overtime issues in Police and Fire persist, and if the bill for snow and ice were to come in higher than it did in FY25, then the balance in the reserve fund may not be sufficient to bring these accounts in balance in FY26.

In addition to reducing leave, the Town has considered changes to Fire operations. While members of the community have not been receptive to a change in the minimum staffing levels required each day, another option may be to close a company on days with high absentee rates. If the reserve fund is anticipated to be under stress in FY26, whether due to these issues or others that emerge in the Town or Schools, then administration will need to consider every available option to ensure the budget is balanced. While the FY25 budget included a $300k increase to the overtime budget in recognition of the ongoing deficit, which was not increased again in FY26 due to other emerging budget pressures, the question of whether and how to fund these costs going forward will be presented to the Expenditures and Revenues Study Committee for their consideration. The analysis suggests the Fire overtime budget will need to be increased if the recent injured-on-duty leave is to be recognized as the new status quo, however, administration will continue to explore options for bringing overtime costs under control regardless.

Conclusion

We respectfully request approval for a reserve fund transfer in the amount of **$800,000** to address the shortfall in the FY25 Fire personnel budget. A reserve fund transfer request form is attached. We will continue actively meeting with the Fire Chief in FY26 to closely monitor overtime costs and absentee trends.

cc: Charles Carey, Town Administrator

Melissa Goff, Deputy Town Administrator for Policy and Fiscal Affairs

Tiffany Oliva, Assistant Town Administrator for Operations

OFFICE OF SELECT BOARD

MEMORANDUM

TO: Chas Carey, Town Administrator
FROM: Charlie Young, Assistant Town Administrator for Finance
RE: Updated FY24-25 Fire Department Overtime and Leave Memo
DATE: Revised March 11, 2025

Leave use continues to be a significant burden on the Fire Department overtime budget in Fiscal Year 2025 ("FY25"). The Town made significant efforts to compensate for high leave levels by increasing the budget for overtime by $300,000 or 38% over FY24, but the projected deficit for Fire personnel is -$746,197 or just $187,962 lower than the prior year (See Figure 1). This memo compares leave utilization to historical levels and reviews the leave patterns that impact the deficit in the Fire Department overtime budget.

Figure 1: Projected Overtime Deficit

	FY21	FY22	FY23	FY24	FY25**	+/-	% +/-
Budget	$723,476	$725,477	$725,477	$792,747	$1,092,747	*$300,000*	*37.8%*
Actual	$1,375,259	$2,780,993	$1,896,059	$2,073,965	$2,061,819	*($12,146)*	*-0.6%*
Overtime Surplus/Deficit	($651,783)	($2,055,516)	($1,170,582)	($1,281,218)	($969,072)	*$312,146*	*-24.4%*
Estimated Salary Savings*	-	$565,159	$354,582	$347,059	$222,875	*($124,184)*	*-35.8%*
Reserve Fund Transfer		$1,490,357	$816,000	$934,159	$746,197	*($187,962)*	*-20.1%*

**Amount saved from open positions, except in FY21 where STM increased OT budget.*
***End of Year Projection*

Contractual Leave and Minimum Staffing

The primary driver of overtime in the Fire Department is leave, which causes the Fire Chief to call in staff to meet minimum required daily levels. Minimum staffing is based on national standards for firefighter safety, though Brookline has a higher level of minimum staff than any of the nearby communities except for the City of Boston. To illustrate the significance of minimum staffing within the budget, below are the results of an analysis of all leave in FY24 that shows the overtime deficit could be eliminated if the Town operated on a lower minimum staffing level in line with other similar surrounding communities.

Figure 2: FY24 Minimum Staffing Costs/Savings		
Total Overtime Shifts Current Minimum Staffing		1,358
Overtime Shifts at Lower Staffing		35
Firefighter Step 4 Overtime Rate	$	51.22
Costs/Savings Associated with Minimum Staffing	**$**	**1,627,078**

The Fire Department staffs at a minimum of 29 firefighters per day[1]. If the Town were to lower the department's minimum staffing requirements to those of similar surrounding communities at 22 firefighters per day, then overtime costs would be reduced by approximately $1.6M per year. This would be equal to a 78% reduction in total overtime expenditures, would eliminate the perennial overtime deficit, and would create a surplus of around $652,269 in the operating budget that could go towards funding other critical town services in FY25 and FY26.

Leave Trends

Total leave utilization in the Fire Department is up **4.7%** over FY24, which reverses the downward trend observed between FY23 and FY24. Multiple categories are showing an increase, with vacation and FMLA leave being the only categories to decrease. The following table compares projected FY25 total leave with FY24 actuals:

	Figure 3: Total Leave Year-To-Date			
	FY23	**FY24**	**FY25 Proj***	Δ
Vacation	877	1022	996	-2.5%
A-Day	273	272	291	6.8%
Injured	1178	927	977	5.4%
Sick	674	811	871	7.4%
FMLA	243	188	150	-20.3%
Other	347	209	307	47.2%
Total	3592	3428	3590	4.7%

**Based on FY25 Year-To-Date figures, projecting the final six months based on changes in leave categories over FY24.*

These leave figures are still significantly higher than pre-pandemic figures, up **40%** across all categories in that time period. Injury leave has been reduced since it peaked in FY20, however, it is still particularly high at 149% above FY18 levels. The following table compares FY25 projected leave to FY18:

	Figure 4: Total Leave Five-Year Comparison					
	FY18	FY19	**FY23**	**FY24**	**FY25 Proj**	Δ
Vacation	979	933	877	1022	996	*4.4%*
A-Day	265	319	273	272	291	*2.6%*
Injured	371	348	1178	927	977	*149.8%*
Sick	502	568	674	811	871	*61.5%*
Other	337	266	590	396	456	*17.6%*
Total	2454	2434	3592	3428	3590	*39.7%*

Importantly, vacation usage is roughly on par with pre-pandemic numbers, while categories such as injured and sick are the farthest out of alignment. In order to fully illustrate this trend, the

[1] This number is based on the Town's number of firefighter groups. Each group is staffed four firefighters per apparatus, while other surrounding towns operate on three firefighters per apparatus.

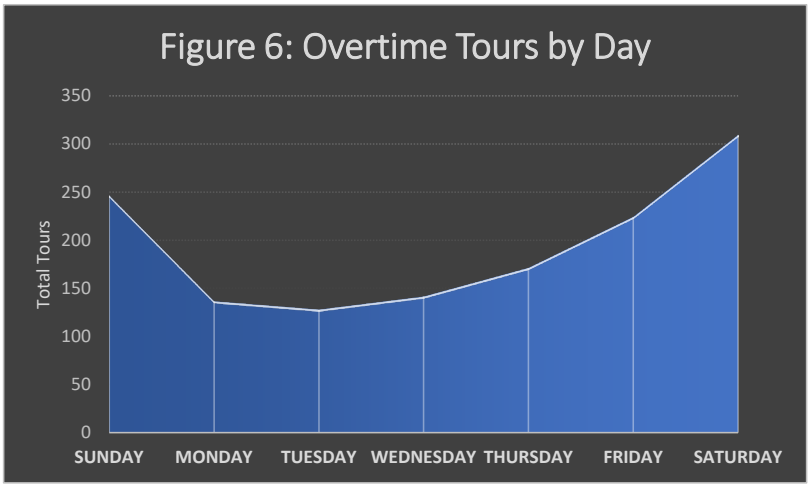
following table represents each category on a per-firefighter basis. Leave utilization since FY18 has increased by **six tours** per firefighter.

	Figure 5: Leave Tours Per Firefighter				
	FY18	FY19	**FY23**	**FY24**	**FY25 Proj**
Staff	151	151	152	152	152
Vacation	979	933	877	1022	996
Per FF	6.48	6.18	5.77	6.72	6.55
A-Day	265	319	273	272	291
Per FF	1.75	2.11	1.80	1.79	1.91
Injured	371	348	1178	926.75	977
Per FF	2.46	2.30	7.75	6.10	6.42
Sick	502	568	674	810.5	871
Per FF	3.32	3.76	4.43	5.33	5.73
Other	337	266	590	396.25	456
Per FF	2.23	1.76	3.88	2.61	3.00
Per FF Total	16.25	16.12	23.63	22.55	23.62

Impacts to Minimum Staffing

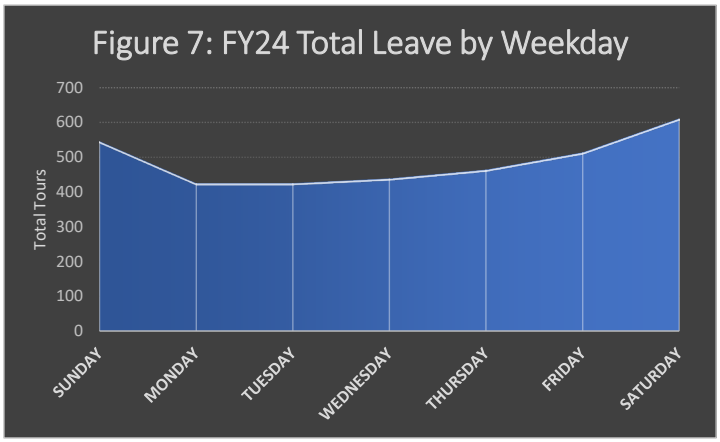
There are a number of factors that impact how much leave costs the Town in terms of overtime:

1. Contractual Leave: The collective bargaining agreement requires the Chief to grant a minimum of five vacation and admin leave tours each day. When the department is fully staffed and has no cases of long-term leave, these contractual days would not trigger minimum staffing and overtime coverage. After granting the five contractual days, however, firefighters on other kinds of leave such as injured-on-duty (IOD), sick, or FMLA further reduce the count further. 82% of leave or 2133 tours in FY24 came from this other category of obligated leave. The following table breaks down total overtime tours required by day of the week:

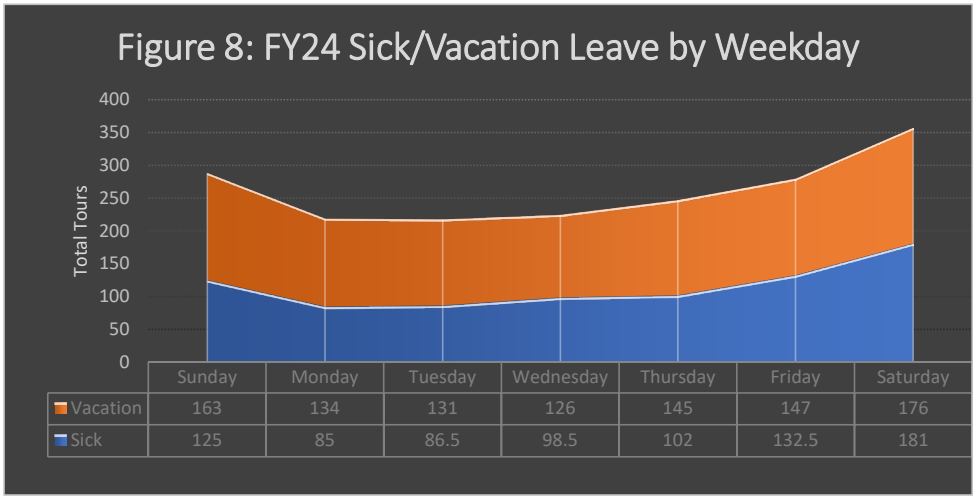


2. Vacancies and Long-term Leave: The Fire Department has four open positions and thirteen firefighters out on long-term leave. At this level, the department starts each day on average with three fewer per group in the count towards minimum staffing before granting contractual leave days. A new class is anticipated to join the force this Fall, which will not have significant benefit to the FY25 budget, but will position the department for a better overall leave and overtime experience in FY26.

3. Weekend Leave: Firefighter leave follows consistent annual patterns including notably higher leave use on the weekend. Though it is difficult to estimate, this comes at a significant cost to the Town. If the same amount of leave were taken evenly across all days of the week, the Town could save as much as 30% on overtime costs. The following tables illustrate the pattern of FY24 leave use across days of the week:



This trend toward greater leave utilization on weekend days is more prevalent for sick and vacation days. In FY24, firefighters used sick and vacation leave on Saturday 40% more than on Wednesday. Sick leave use is nearly 50% higher on Saturday than it is in the middle of the week.



Overtime costs accrue quickly when several firefighters call in sick over the weekend, particularly given vacation days (which then use up the five contractual minimum leave days) are already higher on weekends. For example, the weekend before Labor Day was particularly costly to the Town. On Saturday and Sunday, the Fire Department started with 33 firefighters on staff, then the five contractual leave days were granted leaving them one firefighter short of 29 minimum staff on both days. However, on Saturday one member of the group was out on injury leave, then four people called in sick and one used FMLA sick time. This resulted in a total of seven overtime shifts for an estimated cost of $8,605. Sunday then required five and a half overtime shifts for $6,761. Notably, the day after Labor Day (which marks the end of the Fire Department's summer vacation schedule) no one used vacation time and only two and a half sick days were taken. The department was fully staffed and no overtime shifts were required. The most expensive day for leave in FY24 was the Friday before Labor Day where five people called in sick and ten and a half overtime tours were required for an estimated cost of $12,908. Sick leave on the Friday, Saturday, and Sunday of Labor Day weekend was associated with overtime totaling $28,274, which was followed by a weekday where no overtime shifts were required and the department was fully staffed.

4. Holiday Sick Time: Firefighters are paid special compensation in addition to regular pay for working holidays, regardless of whether they are scheduled to work on those days, except if they decide to call in sick when they are scheduled to work a holiday. In that case, the firefighter forfeits their special holiday pay (but retains regular pay). The following tables illustrate a pattern of sick leave use that is consistent every year across almost every holiday in which multiple sick days are taken in the days leading up to, and often after, a holiday although no sick days are taken on the holiday itself.

Figure 9: Sick Leave Utilization Before, During, and After Holidays

	Independence Day	Labor Day	Indigenous People's Day	Veteran's Day
T-2	4	4	2.5	2
T-1	3.5	2.5	2	0
Holiday	**0**	**0**	**3**	**0.5**
T+1	3	1.5	2.5	1
T+2	1.5	1.5	0	0

	Thanksgiving Day	Christmas Day	New Year's Day	Martin Luther King Jr. Day
T-2	2	7	5.0	3
T-1	1.5	1.5	4.5	3
Holiday	**0**	**1**	**0**	**1**
T+1	2.5	3.5	4.5	4
T+2	5	4.5	4	1

	President's Day	Patriots Day	Memorial Day	Bunker Hill Day	Juneteenth*
T-2	2.5	4	6.5	3	0
T-1	5.5	2	2	5	5
Holiday	**1**	**3**	**0**	**0**	**0**
T+1	1.5	0	0	5	6
T+2	3	2.5	4	0	2

**Bunker Hill Day is two days prior to Juneteenth. This is the only time there were no sick days taken two days prior to a holiday.*

Sick leave on the two days before and the two days after holidays generated 200 overtime shifts in FY24 costing up to $246,489. In the most severe case, seven people called in sick two days before Christmas Day, but only one person was sick on Christmas Day. Two days before Memorial Day six people called in sick, then everyone scheduled to work on Memorial Day was fully healthy and able to report to work. The only holidays where more than one sick day was taken were Indigenous People's Day and Patriots Day.

Overtime Deficit Resolution

While it has been suggested that the Town add firefighters to resolve overtime issues, there is no demonstrable cost-benefit to this proposed solution. If the Town were to add one firefighter, they would work two shifts per week with three days off in between. This means if a new firefighter position is scheduled to work Saturday and covers what would have otherwise been an overtime shift, their next workday would be Wednesday where 30% fewer overtime shifts are required. Thus, adding a firefighter roughly costs $123,639 (as shown on Figure 10 below), but is not guaranteed to save two overtime shifts per week. If they covered one OT shift per week, they would save the Town $58,079 per year. If they were somehow able to cover two shifts per week, this would still only save $116,159.

Figure 10: Each New Additional FF Cost		
Base Salary	$	67,659
New Uniform and Turnout Gear	$	10,000
Uniform Maintenance	$	815
ASHER	$	2,032
Associates Degree	$	5,000
Holiday	$	4,218
EMT	$	3,743
Night Differential	$	6,457
Group Health Benefits	$	23,715
Total	**$**	**123,639**

This doesn't factor in the average of ~16 leave tours they will take throughout the year, which would cost an estimated $17,802 if they required overtime coverage, and does not factor in the cost of other long-term benefits such as pensions. This is true when considering whether to add a greater number of firefighters as well. If instead the Town wished to add enough firefighters to cover one overtime shift per day (four firefighters, or one per group), this would cost $494,956

and only potentially save $406,555. For all these reasons, each additional staff member added to the department will cost the Town more than it will save on overtime.

The most effective way to eliminate the overtime deficit would be to change minimum staffing from four firefighters per apparatus to three firefighters per apparatus, which is the standard for the majority of municipalities in the Greater Boston Area. This would not have the effect of reducing the number of firefighters budgeted and hired by the department, but would allow the Chief to lower the number of people staffed on any apparatus from four to three during times of excessive leave use. Further, this would not necessarily result in all apparatus running at fewer than four, and instead the Chief would have the discretion to determine which apparatus could run with fewer than four and maintain current levels of fire safety.

Another option for resolving the deficit would be to continue to implement and utilize all available tools to manage high levels of leave utilization, like the "Modified Duty" measure that has provided relief for injured-on-duty cases. These are unlikely to resolve the deficit though, which will remain at its current level until leave use decreases, minimum staffing is reduced, or the Town concedes that this level of leave utilization is acceptable to the community and funds the remainder of this overtime deficit. Note that funding the remainder of the overtime deficit will require continual influxes of funds if firefighter leave use continues its upward trajectory in the coming years in order to continue to maintain current levels of minimum staffing.

Future Considerations – South Brookline Ladder Truck

In the event the community wishes to add a ladder truck in South Brookline, the Town will need to fund the significant overtime from leave use that will arise from adding more firefighters to the roster. It would cost $2,472,780 to hire twenty firefighters to staff a ladder truck based on the above per-firefighter rate. It was previously mentioned that additional firefighters could be expected to take 16 leave tours per year at a cost of $17,802, however, this was based pre-pandemic normal levels of leave. If leave continues to be used at a rate of 23 tours per firefighter, the Town would need to add $565,512 to the overtime budget to cover the cost of minimum staffing, bringing the total cost for a ladder truck in South Brookline to $3,038,292. There is still the matter of funding the existing overtime deficit, which would bring this total cost to nearly $4 million. To reiterate, $2.2 million of these costs are associated with the policy of staffing fire apparatus at a higher rate than any of our peer communities. Thus, it would take a significant influx of $4 million in revenue to add staffing for a ladder truck in South Brookline, but if the Town were to reduce minimum staffing then it would cost less than half this amount. Note that in addition to these staffing costs, a new ladder truck will cost between $1.5 million to $2 million fully equipped.

FY25 Budget Projection

Year-to-date overtime costs total $1,314,782, which is roughly 4% lower than the prior fiscal year. In last year's leave memo, it was projected the Town would save this 4% from including deputy chiefs in the count for the five mandatory contractual leave days described above. While the Town anticipated further lowering the deficit by adding a significant $300,000 into the

overtime budget, leave utilization has increased by 4.7% over the prior year and total leave utilization remains 40% higher than pre-pandemic levels. **This 4.7% increase is 163 tours, which cost the Town an additional $199,961 in overtime, erasing the savings from including deputy chiefs in the count and eroding the $300,000 added to the budget in FY25.**

At this time, the overtime budget for the Fire Department is anticipated to be $969,072 in deficit as shown in Figure 1 above, but the Town has accumulated salary savings from vacancies that will offset the total deficit. It is estimated that the overall personnel budget will realize $222,875 in savings from vacancies for a total projected Fire personnel deficit of **$746,197**.

Conclusion

In closing, I would like to recognize Chief Sullivan's efforts to effectively manage leave utilization in the Fire Department. Over the past several years, leave use has caused a significant burden on the Town's budget and our progress in managing leave been made possible by the Chief's detailed and timely tracking of the leave figures included herein.

Notably, the total number of firefighters out on IOD has decreased from 21 to 11 since 2021, thanks in part to the Chief's cooperation with Human Resources to closely manage and monitor those cases effectively and in part to the modified duty provisions added in the recently settled contract. The decrease in IOD cases and addition to the overtime budget have been followed by a decrease in the deficit. The FY25 deficit is projected below recent levels, but this can only be attributed to adding funds to the overtime budget. Fire Department leave use remains high and continues to put pressure on the Town's budget.

Future Subcommittee Appendices

Appendix: Solar Initiative

Appendix A: Electric rate escalation graph

Appendix B: Memo from Sustainability Division, 1.22.26

Appendix C: Letter from N. Caramello/V. Aggarwall re Memo 1.22.26

Appendix D: SFWG presentations of 11.17.25 and 12.17.25

Appendix E: MMA Municipal Solar Financing Article

Appendix F: Worcester Municipal Solar Pamphlet

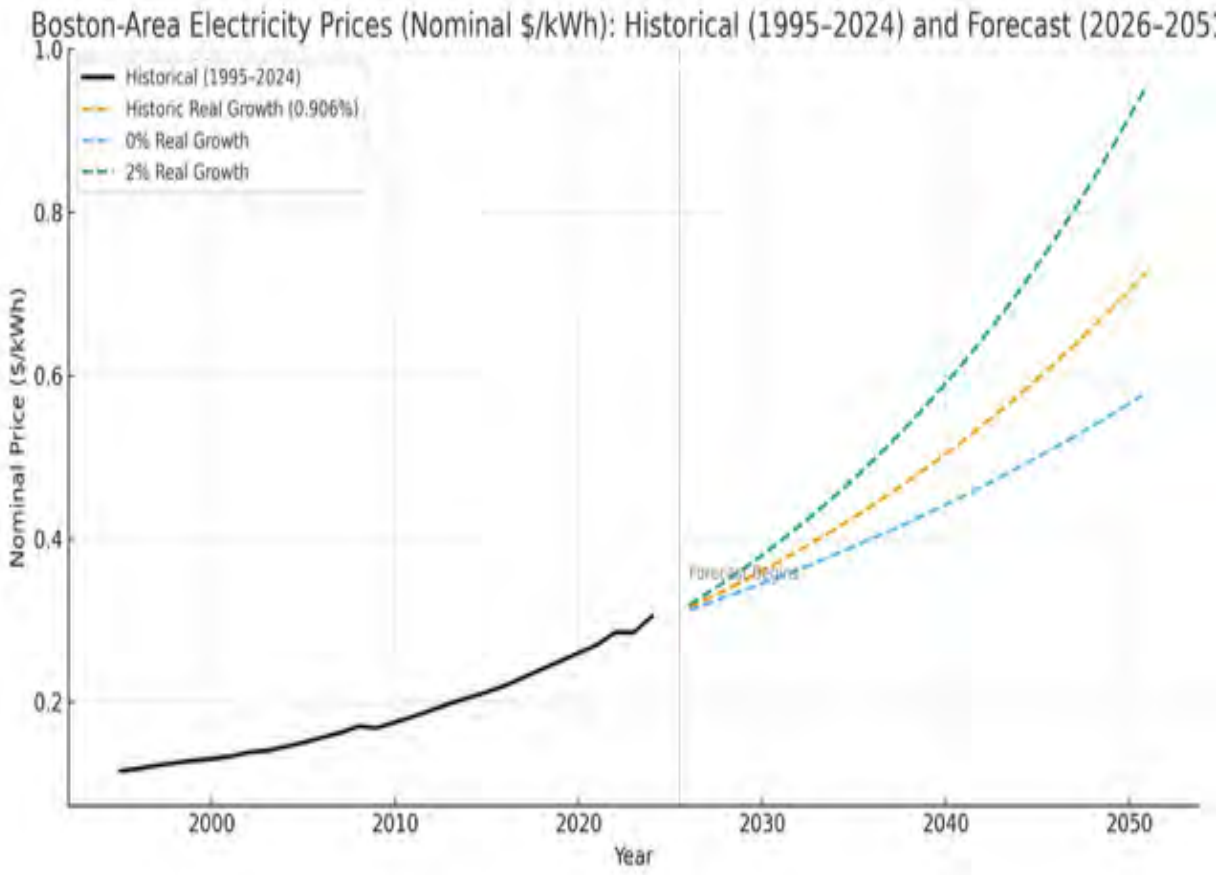
Appendix G: Blue Wave Solar Assessment 2015

Appendix H: Brookline Possible Solar Projects 2018

Appendix I: Roof Replacements 2025-2031

Appendix J: Town Properties List Solar Potential - Tiered

Appendix A: Electric rate escalation graph



Appendix B: Memo from Sustainability Division, 1.22.26

MEMORANDUM

To: Expenditures & Revenues - Futures Subcommittee

From: Alexandra Vecchio, Sustainability and Natural Resources Director

Date: January 22, 2026

Re: Municipal Solar Initiative

Cc: Erin Chute, Commissioner of Public Works
Chas Carey, Town Administrator
Melissa Goff, Deputy Town Administrator
Zero Emissions Advisory Board (ZEAB)
Select Board
Carol Levin, Chair of the Capital Subcommittee of the Advisory Committee
David Pollak, Chair of the Land Use and Sustainability Subcommittee of the Advisory Committee

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At the recommendation of the Futures Subcommittee Chair, Sergio Modigliani, the Division of Sustainability and Natural Resources established a Solar Financial Working Group (SFWG) to examine municipal solar as both a climate strategy and a long-term financial tool for the Town. The SFWG was charged with identifying opportunities to reduce energy costs, manage financial risk, and advance Brookline's climate goals through town-owned solar, while ensuring recommendations were grounded in realistic implementation, sound procurement, and thoughtful capital planning.

The SFWG included representatives from the Select Board (Michael Rubenstein), Zero Emissions Advisory Board (Nick Caramello and Vikram Aggarwal), the Expenditures and Revenues Committee (Sergio Modigliani), and Town staff, including DPW Commissioner Erin Chute and Sustainability and Natural Resources Director Alexandra Vecchio. Over the course of five meetings, the SFWG identified and evaluated potential municipal sites for solar installation. The recommendation below reflects the outcome of a final meeting that also included Town Administrator Carey, Deputy Town Administrator Goff, and the Advisory Committee Chairs from the Capital Subcommittee, Carol Levin, and Land Use and Sustainability Subcommittee, David Pollak.

Based on this work, the SFWG and Town Administration recommend advancing municipal solar through a two-track, phased implementation strategy that captures near-term financial and climate benefits while establishing a clear, scalable framework for long-term expansion, beginning with a proposed capital investment of $3.2 million starting in FY27.

This approach, as explained below, prioritizes high-readiness projects eligible for federal incentives while simultaneously conducting the planning, sequencing, and detailed financial analysis needed to advance additional sites in future budget cycles responsibly.

Recommendation: A Disciplined, Dual-Track Implementation Strategy

With input from the Building Department and the Department of Public Works, the SFWG identified 22 sites as strong candidates for solar installation. These locations include potential building rooftops, carport canopies, and ground-mounted arrays. This analysis confirmed that while Brookline has significant long-term solar potential, not all sites are positioned to move forward simultaneously. In an effort to meet the deadlines for the expiring federal Investment Tax Credit (ITC), the SFWG is recommending two parallel tracks to advance as many projects and associated savings as possible.

Track 1: ITC-Targeted Near-Term Installations

Track 1 focuses on five high-readiness municipal sites that have been evaluated for solar potential in coordination with planned capital work, and deliverability within the ITC qualification window, which ends on December 31, 2027. The Track 1 sites include five rooftops: Brookline High School, Town Hall, Brookline Village Library, Fire Station 1, and Pierce School.

Track 2: Planning and Sequencing for Future Solar Installations

In parallel, the Town will initiate comprehensive planning, financial assessments, and feasibility of solar installations at the remaining 17 sites identified by the SFWG. Staff will immediately commence work to identify an Owner's Agent to act on behalf of the Town and to develop a Request for Proposals to identify a vendor to assess, design, and construct additional town-owned solar projects. The goal is to procure a long-term contract with a solar developer under M.G.L. c. 25A, §11C that can be reviewed and considered for approval at the fall 2026 Town Meeting. Importantly, construction funding is not required upfront to advance this contract; instead, the Town can proceed with the selected vendor to evaluate sites, costs, financial returns, and budget implications. This planning phase is intentionally designed to inform a thoughtful, long-term CIP strategy while ensuring that investments are made when projects are truly ready, financially sound, and aligned with other capital projects.

This work directly advances the goals of the Brookline Climate Action and Resiliency Plan (CARP), which is nearing finalization. The CARP identifies expanded local renewable energy generation, reduced reliance on fossil fuels, and cost-effective decarbonization of municipal operations as foundational strategies for achieving Brookline's climate commitments. This two-track strategy positions Brookline to scale municipal solar in a way

that is predictable, transparent, and responsive to changing conditions, including evolving technology, incentives, and energy markets, while already advancing six solar projects town-wide (including Driscoll School, where construction will commence in the coming months). Finally, this approach takes into consideration numerous administrative factors that will impact successful solar deployment, such as cross-departmental coordination, planning, public procurement, capital alignment, and appropriate public process—particularly for complex or high-visibility sites.

Summary and Next Steps:

The SFWG and Town Administration's recommendation represents an exciting and responsible path forward for the Town of Brookline. It delivers immediate, measurable benefits, supports the near-final Climate Action and Resiliency Plan, and establishes a clear, credible framework for long-term investment in renewable energy. $3.2 million in the CIP will fund the initial projects in FY27, excluding Pierce School (financed by the project), and will also support the solar planning and implementation contract resulting from the RFP issued under Chapter 25A.

The Town of Brookline is well-positioned to make meaningful, near-term progress on municipal solar that balances urgency with fiscal responsibility, operational readiness, and transparency. The Director of Sustainability and Natural Resources has already initiated discussions with PowerOptions regarding the first set of projects; cost estimates are expected in the coming weeks. Shortly, staff will begin identifying and contracting an Owner's Agent to draft the RFP for the remaining projects. Moving forward, Town staff from multiple departments will continue to identify rooftops well-suited for solar installation and provide regular updates to the Zero Emissions Advisory Board and other Town Departments, as appropriate.

To: Expenditures & Revenues – Futures Subcommittee
From: Nick Caramello, ZEAB Chair; Vikram Aggarwal, ZEAB Member
Date: January 23, 2026
Re: Municipal Solar Initiative
CC: Solar Financial Working Group (Michael Rubenstein, Erin Chute, Alexandra Vecchio)

We are writing in response to, and in support of, the attached Municipal Solar Initiative memo from Alexandra Vecchio, Director of Sustainability, dated January 23, 2026, and at the suggestion of Futures Subcommittee Chair Sergio Modigliani.

This letter is sent in our capacity as ZEAB representatives to the Solar Financial Working Group.

Executive Summary

- We enthusiastically support the Municipal Solar Initiative as outlined in the Director's memo.
- We believe the Futures Subcommittee can reasonably act now to recommend advancing the Initiative based on the structure, safeguards, and phased approach described in the memo.
- We believe the Initiative appropriately balances near-term action with fiscal prudence, preserving flexibility while allowing the Town to meet time-sensitive federal incentive opportunities.
- We believe additional financial detail and community engagement can and should occur as part of subsequent implementation, procurement, and Town Meeting processes.

Support for the Plan

As ZEAB representatives on the Solar Financial Working Group (SFWG), we are delighted with the plan outlined by the Director of Sustainability. The Municipal Solar Initiative has been a primary focus of ZEAB for the past 18+ months because of its clear financial and environmental benefits for the Town of Brookline.

We believe the Town's plan is an excellent implementation of that initiative. It aligns with the Town's financial and zero-emissions goals, reflects the collaborative work of the SFWG, and balances ambition with pragmatism in a way that financially advantages the Town and should be defensible.

ZEAB has yet to vote on this plan. It was discussed at the last ZEAB meeting, and will be voted on at the next.

Financial Context

Projected financial outcomes are not fully detailed in the Director's memo. This was a focus of prior SFWG presentations and was raised again at the January 23 Futures Subcommittee meeting.

While the Town is working to obtain refined projections from a selected vendor, the Subcommittee's timeline may not allow those projections to be incorporated into its recommendation to the Select Board. For that reason, we offer preliminary context here. These projections were developed using commercially available software from Station A, Inc., which provided pro bono support, and should be considered directional.

The SFWG initially identified approximately 30 sites with a total capacity of roughly 9 MW, meeting about 90% of the Town's current electricity needs, potentially delivering $65M+ in electricity cost savings over 25 years. That list was narrowed to 21 Tier 1 sites that could be pursued in the nearer term, with an estimated capacity of approximately 4.5 MW meeting approximately 40% of Town's electricity needs.

Preliminary analysis of these Tier 1 sites indicates:

- Approximately $12M in installation costs
- Approximately $33–$35M in avoided or returned costs over 25 years, without the Investment Tax Credit (ITC)
- Potential for $3–5M in ITC rebates if all sites qualify

The Town's proposed phased approach allows for the capture of ITC rebates while deferring full buildout decisions until more detailed financial and site-specific analysis is completed.

These preliminary estimates are provided to inform the Subcommittee's consideration of the Initiative and to illustrate the order-of-magnitude financial opportunity; they are not intended to serve as final or binding projections.

Community and Governance Considerations

As this work advances beyond the initial phase, sustained community engagement and access to resident expertise will be important to successful execution, particularly for later-phase and higher-visibility projects. Prior large-scale municipal solar efforts (e.g. the solar canopy proposed at the municipal transfer station/solar overlay district in 2015) did not ultimately move forward, underscoring the importance of durable public support and informed oversight as implementation proceeds.

Recommended Action

Taken together, we hope that the Director's memo and this letter provide a sufficient basis for the Futures Subcommittee to act.

We believe the Subcommittee can reasonably make a motion to recommend advancing the Municipal Solar Initiative as outlined in the Director's memo, including the proposed FY27 capital allocation and the two-track implementation strategy, informed by the preliminary financial context provided here, and with the understanding that more detailed financial projections will be developed and reviewed as part of subsequent procurement, CIP, and Town Meeting processes.

Such a recommendation would allow the Town to meet near-term federal incentive deadlines, preserve flexibility, and continue refining financial assumptions before committing to future phases.

Please let us know if additional information would be helpful as the Subcommittee deliberates.

Respectfully,
Nick Caramello
Vikram Aggarwal

Brookline Municipal Solar Initiative

Discussion with Futures Subcommittee

Alexandra Vecchio, Director of Sustainability & Natural Resources

Vikram Aggarwal, ZEAB Member

Agenda

1. Context & Background
2. Existing Solar PV Installations
3. Case Study: Driscoll School
4. Evaluating Solar PV
5. Proposed Plan of Action
6. Initial Solar Cost-Benefit Analysis
7. Q&A and Next Steps
8. Appendix:
   - About Vikram Aggarwal
   - Basic Unit Economics of Solar
   - Driscoll School Solar Analysis

Climate Action & Resiliency Plan

Currently Drafting - 10 year plan that targets net zero emissions by 2050
Anticipated Plan Completion - April 2026

Focus Areas:

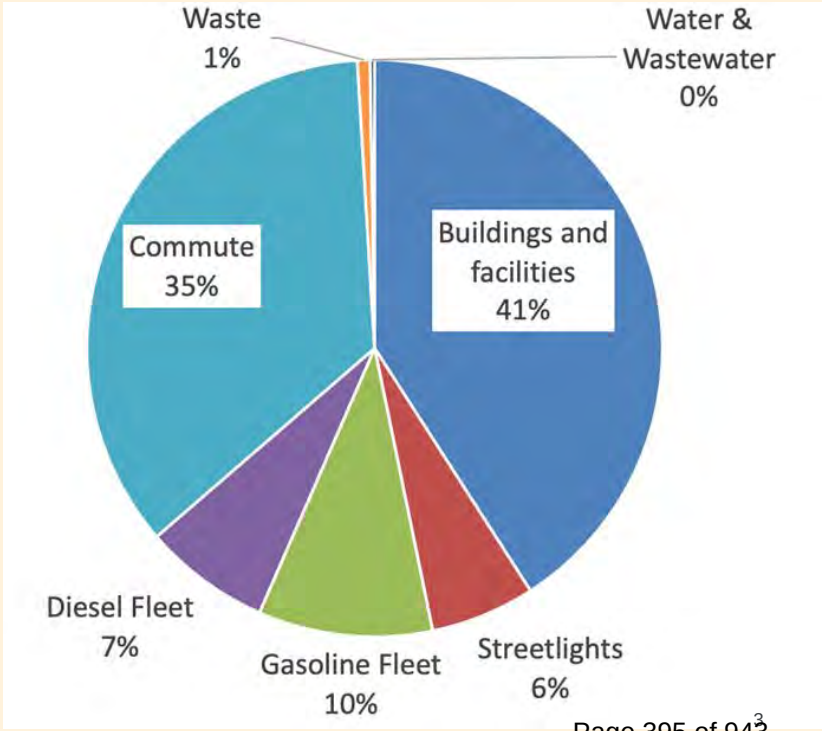
- Buildings & Energy
- Resource Conservation & Management
- Sustainable Transportation & Mobility
- Natural Systems & Community Well-Being
- Resilience, Adaptation & Risk Reduction

Draft Goal: *Maximize renewable and resilient electricity for municipal operations by 2036 through solar PV installation and storage, geothermal sources, and a microgrid*

Draft Goal: *Leverage increased efficiency and decarbonization projects to cut gas emissions from both municipal buildings and streetlights 60% by 2036*

9,831 MTCO2e

Municipal Operations



Brookline's Solar Installations

Project	kW(dc)	Install Date	Contract Type
Health Building	25	2006	Town-owned
Putterham Library	80	2010	Town-owned
Ridley School	250	2021	PPA (i.e. lease)
Brookline High School	150	2021	PPA
Runkle School	173	2021	PPA
Kirrane Aquatics	257	2022	PPA
Municipal Service Center	273	2022	PPA
Driscoll School (coming soon)	*200*	*2026*	*Town-owned*

Context & Background

- In FY'27, Brookline will spend $3.7M for electricity
  - Town currently consumes ~13 million kWh (kilowatt hours) of electricity at an average cost of $0.25 per kWh

- Assuming 3% annual electricity price inflation over the next 25-years, we will pay $100M+ for electricity
  - U.S., Energy Information Administration (EIA), the pre-eminent Federal Agency is currently projecting 4%-6% annual inflation in the upcoming years, primarily driven by rising demand due to data centers and AI

- Additionally, as Brookline is increasing its electrification plans to reduce carbon emissions, its expected that our electricity consumption could increase by up to [50%] over the next [5-10] years

Driscoll Solar - Cost-Benefit Evaluation

- Earlier this year, ZEAB conducted an analysis whether to own or sign a Power Purchase Agreement (PPA) for a solar energy system at Driscoll School
- The analysis indicated that owning the solar energy system will deliver superior financial returns to the town
- The next two slides show the summary analysis and a detailed analysis is included in the appendix.
    - The final numbers have since changed due to increase in size of the system and small reduction in installation cost

Results of Initial Analysis - Buy vs. Lease/PPA

Results of Financial Analysis - 10-Year Loan						
	Purchase - 20 years		PPA - 20 Years		Purchase - 25 Years	
	Smart 2	Smart 3	Smart 2	Smart 3	Smart 2	Smart 3
Total cost to the town	$389,680	$389,680	$473,899	$175,262	$414,680	$414,680
Cost per kWh	$0.10	-$0.01	$0.17	$0.06	$0.08	-$0.03
Total Savings	**$529,772**	**$829,236**	**$321,904**	**$620,540**	**$758,544**	**$1,128,300**
Purchase vs PPA (10-year Loan)	**$207,868**	**$208,696**			**$436,641**	**$507,760**

Assumptions:

- Utility rate = $0.25/kWh; Actual cost ranges from $0.27-$0.45/kWh driven by hefty demand charges
- Projected utility inflation rate = 1.5%/year

Results of Initial Analysis - Buy vs. Lease/PPA (No ITC)

Results of Financial Analysis - No ITC / 10-Year Loan						
	Purchase - 20 years		PPA - 20 Years		Purchase - 25 Years	
	Smart 2	Smart 3	Smart 2	Smart 3	Smart 2	Smart 3
Total cost to the town	$514,000	$514,000	$473,899	$175,262	$539,000	$539,000
Cost per kWh	$0.14	$0.03	$0.17	$0.06	$0.11	$0.00
Total Savings	**$405,452**	**$704,916**	**$321,904**	**$620,540**	**$634,224**	**$1,003,980**
Purchase vs PPA (10-year Loan)	**$83,548**	**$84,376**			**$312,321**	**$383,440**

Assumptions:

- Utility rate = $0.25/kWh; Actual cost ranges from $0.27-$0.45/kWh driven by hefty demand charges
- Projected utility inflation rate = 1.5%/year

We recommend Brookline considers installing Solar PV systems and/or Batteries across municipally owned buildings, parking lots and other suitable spaces could provide substantial financial savings, hedge against rising energy costs, and meet town's carbon reduction targets

- Additionally, we recommend that the town consider contracting all quality sites within one contract to achieve economies of scale and improve economics by >[10-15%]

Plan of Action

- **Step 1:** Determine initial business case for solar and/or batteries [Current step]
- **Step 2:** Engage with Engineering & Design firms to validate, verify and update initial estimates of size of installations, costs and ROI
- **Step 3:** Prepare recommendation for budget approval
- **Step 4:** Issue RFP
- **Step 5:** Contract & Install

At each step, review progress with key stakeholders & decision makers, and seek approvals to move forward

Step 1: Evaluating Solar PV Options & Business Case

- We are currently evaluating how much solar the town could install at:
  - ~70 town owned buildings
  - ~15 town parking lots
  - ~5 parking lots at schools
  - Town Transfer station & Skyline Park

- Initial determination of cost of installations and return on Investment
  - Assuming that we will not qualify for Federal Investment Tax Credits (ITC)

Step 1: Initial Results

- The town potentially could install ~9MWs (Megawatts) of solar panels on its buildings, parking lots and transfer station, potentially generating 90%+ of all of town's electricity usage
  - ~2 MWs on building rooftops
  - ~6 MWs on town transfer station & [non-recreational open spaces] at Skyline park
  - ~1.2 MWs of solar on town parking lots (as solar canopies)

- We have two options to finance this investment
  - Sign a Power Purchase Agreement (PPA), similar to what we have done for ~5 installations on our schools
  - Fund the installations using town's capital, similar to what we are currently doing at Driscoll School

- Earlier this year, ZEAB conducted a financial assessment in partnership with [Driscoll School Committee] and determined that financial savings for the town are significantly higher if the town owned and operated the systems rather than signing a PPA
  - ***Refer to Appendix 3*** for results of that analysis

Step 1 (cont.): Initial Cost-Benefit Analysis

WORKING DRAFT

	Total System Size (kW)	Annual Output (kWh)	Install Cost Per Watt	Total System Cost (No ITC)	Annual Savings	Lifetime Savings - Low	Lifetime Savings - High	Annual Loan Payments (10 Year @ 3.5%)
15 Rooftops & 2 adjacent Parking lots	2,067	2,890,000	$3.41	$7,050,880	$693,600	$14,118,108	$14,118,108	$830,640
Town Transfer Station - Ground Mount	1,560	2,060,000	$1.74	$2,714,400	$494,400	$7,136,971	$12,768,252	$321,600
Town Transfer Station - Carport	2,150	2,490,000	$3.24	$6,958,260	$597,600	$4,207,628	$11,014,370	$830,640
Skyline Park - Ground Mount	2,670	3,540,000	$1.74	$4,645,800	$849,600	$12,848,287	$21,948,083	$552,000
Other Parking lots - Carport	1,186	1,562,650	$3.50	$4,151,000	$375,036	$3,509,840	$7,205,141	$492,000
Total	**9,633**	**12,542,650**		**$25,520,340**	**$3,010,236**	**$41,820,835**	**$67,053,954**	**$3,026,880**

- Assuming the town will own the systems, it will cost **$[25]Million** over the next 2-3 years to install solar at the identified sites
  - Economies of scale achieved If all feasible site are contracted at the same time. Could reduce costs by 10-15%.
- Town will save **Net $[40-65]Million** in electricity bills over the next 25 years. These savings are after paying for system costs.
- Will reduce town's carbon emissions by **[4,500] metric tons**, or **[XX%]** of town's total emissions. It is equivalent of planting 100,000+ trees or taking ~1,000 cars off the road every year
- Enables town to show its leadership on climate action - the town is encouraging its residents and businesses to invest in climate mitigation and would be great to show that the town can follow its own lead.
- Lower electricity costs will enable increased electrification of town's transportation and building infrastructure, thus accelerating progress towards its climate goals

Step 1 (cont.): Uncertainties, Open Questions and To Do's

- The initial analysis has been conducted by leveraging satellite imagery. Site visits by experts would result in more precise numbers
- Determine Net metering allowances for municipal-owned solar projects
- Timing of installation and commissioning of the projects. For projects completed and commissioned prior to 12/31/2027, the town will qualify for 30% ITC and 40% if use domestic content equipment
- Grid's ability to tie into off-site solar installations
- Equipment and installations costs are currently quite volatile as commercial entities are rushing to sign deals before July 4, 2026. Post that date, its highly likely that installation costs decline significantly for projects that do not qualify for Federal ITC
- Determine which roofs might need to be replaced or reinforced to enable solar installations
- Public review process for carport & ground-mounted systems
- Evaluate ballast install (i.e., no holes dug into the ground) vs. penetrating installs on the transfer station ground mount
-

Q&A and Next Steps

- Q&A
- Next Steps
  - Continue to fine-tune and refine analysis

Appendix

Appendix 1: About Vikram Aggarwal

- Brookline resident since 1996
- Member of ZEAB since Fall 2023
- Founder & former CEO, EnergySage, Inc.
    - EnergySage is the leading marketplace for solar PV, batteries, community solar, heatpumps, EV chargers, etc.
    - Company was acquired by Schneider Electric in 2021
- Board Member, Conductor Solar, Inc., a marketplace platform to buy/sell commercial solar projects with a signed PPA
- Recognized expert & thought-leader in solar and broader ClimateTech
- Quoted & mentioned in hundreds of articles and new stories in leading publications such as NY Times, Washington Post, BusinessWeek, Consumer Reports, Newsweek, CBS News, etc.
- Partnered with leading climate organizations at the Federal and State level, including U.S. Department of Energy & NREL, Massachusetts Clean Energy Center, NYSERDA, California Public Utilities Commission

Appendix 2: Solar economics - an introduction

- The table below summarizes the basic unit economics of solar installed at the same location where power is being consumed (also referred to as Behind-the-Meter installations):

	Per Watt				
Initial Solar Installation Cost (per Watt)	$2.00	$2.50	$3.00	$3.25	$3.50
Total Cost (including interest payments) over 10 years @ 3.5% interest rate	$2.40	$3.00	$3.60	$3.90	$4.20
Electricity produced Year 1 (kWh)	1.25	1.25	1.25	1.25	1.25
Electricity generated over 25 years (in kWh) (Net of panel degradation)	28	28	28	28	28
Total value of Electricity produced over 25 years	$10.10	$10.10	$10.10	$10.10	$10.10
Total value of Electricity produced + SMART Incentives	$12.35	$12.35	$12.35	$12.35	$12.35
Unit cost of Solar electricity (Including loan)	$0.09	$0.11	$0.13	$0.14	$0.15
Less: SMART 3.0 Incentive	$0.09	$0.09	$0.09	$0.09	$0.09
Net Cost to town per kWh of electricity	-$0.005	$0.02	$0.04	$0.05	$0.06
Average Electricity Rate per kWh over 25 years (assuming 3% inflation)	0.365	0.365	0.365	0.365	0.365
Average per kWh Savings for the town over 25 years	0.369	0.348	0.326	0.316	0.305
Average Annual Return on Investment (ROI)	24.7%	19.8%	16.5%	15.2%	14.1%

Appendix 3: Driscoll School Solar Installation Evaluation

- The following slides were prepared and shared on May 7, 2025
- Since the analysis was conducted, some of the numbers were updated, including:
  - Size of the installation from 131 kW to close to 200kw
  - Cost of installation decreased from $2.61/Watt to $2.55/Watt
  - SMART 3.0 incentives were finalized by the State in Q3, 2025 and now are likely to be about $0.09 vs. $0.15 assumed in the analysis

Initial Proposal - Solect

- Proposal to install a 131kW DC system on the roof of Driscoll School
- System will product ~144,000 kWh of electricity every year; ~15% of usage of the school
- Town can either:
  - Sign a 20-year PPA and pay ~0.17/kWh [SMART 2] or $0.06/kWh [SMART 3]; Additionally,
    - Solect will collect ~$0.045/kWh [SMART 2] or ~0.15/kWh [SMART 3] from the utilities
    - In total, Solect will collect ~$0.22/kWh from its solar installation
  - Buy the system for $2.61/Watt or for ~$343,000
    - The town will receive an ITC (a 30% Investment Tax Credit) of ~$103,000 in cash reimbursement from IRS. It's possible that this provision may be removed by Congress as part of the next budget currently under negotiation. Timing and results of next budget negotiations are highly uncertain.
    - Net Cost to town will be ~$240,000

Key Questions

- Should Driscoll School install solar? Does it make financial sense?
- Should Driscoll Lease (i.e., sign a PPA) or buy the system outright?
- What are the benefits / risks associated with each choice?
- What are the next steps?

Results of Initial Analysis - Buy vs. Lease/PPA

Results of Financial Analysis - 10-Year Loan						
	Purchase - 20 years		PPA - 20 Years		Purchase - 25 Years	
	Smart 2	Smart 3	Smart 2	Smart 3	Smart 2	Smart 3
Total cost to the town	$389,680	$389,680	$473,899	$175,262	$414,680	$414,680
Cost per kWh	$0.10	-$0.01	$0.17	$0.06	$0.08	-$0.03
Total Savings	**$529,772**	**$829,236**	**$321,904**	**$620,540**	**$758,544**	**$1,128,300**
Purchase vs PPA (10-year Loan)	**$207,868**	**$208,696**			**$436,641**	**$507,760**

Assumptions:

- Utility rate = $0.25/kWh; Actual cost ranges from $0.27-$0.45/kWh driven by hefty demand charges
- Projected utility inflation rate = 1.5%/year

Results of Initial Analysis - Buy vs. Lease/PPA (No ITC)

Results of Financial Analysis - No ITC / 10-Year Loan						
	Purchase - 20 years		PPA - 20 Years		Purchase - 25 Years	
	Smart 2	Smart 3	Smart 2	Smart 3	Smart 2	Smart 3
Total cost to the town	$514,000	$514,000	$473,899	$175,262	$539,000	$539,000
Cost per kWh	$0.14	$0.03	$0.17	$0.06	$0.11	$0.00
Total Savings	**$405,452**	**$704,916**	**$321,904**	**$620,540**	**$634,224**	**$1,003,980**
Purchase vs PPA (10-year Loan)	**$83,548**	**$84,376**			**$312,321**	**$383,440**

Assumptions:

- Utility rate = $0.25/kWh; Actual cost ranges from $0.27-$0.45/kWh driven by hefty demand charges
- Projected utility inflation rate = 1.5%/year

Benefits & Risks

	Lease / PPA	Purchase
Benefits	● Solect owns & maintains the system for 20-years ● No upfront capital investment required by the town ● No risk associated with termination of ITC	● Solar energy system can operate for 25-30 years with minimal maintenance ● Town has access to low-cost capital ● Even if ITC is not available, town still can save more by owning the system
Risks & mitigation	● If Solect/PPA provider exits the solar business, PPA might be taken over by another, less responsive financial entity, who may not maintain the system ● Significant opportunity cost associated with PPA cost	● Town will be responsible for maintaining the system. ○ Solar installers will provide 20-25 year warranty ○ Equipment carries 10-25 year warranties ○ May hire an expert “solar manager”, to oversee & maintain all solar installations; ○ Leverage solar installers who do business in Brookline to perform repairs, if needed.

Next Steps

- Verify & validate initial financial analysis and underlying assumptions; review analysis with industry experts
- Opportunity to further improve the economics of both PPAs & Ownership models:
  - Get 3-5 proposals from high-quality solar installers. We might be able to improve economics by another 10-15%, ensure high-quality equipment installation, and pay lower O&M costs.
  - Some installers are installing "Domestic Content" equipment that would qualify for 50% ITC.
  - Solect is proposing ~$50/kW/year for Maintenance (O&M). Based on initial research, annual O&M contracts are priced between $12-$20/kW/Year.
  - Ensure that proposals include a 20-25 year warranty.
- Consult with experts to ensure School is on the appropriate utility rate plan based on our usage pattern and impact of solar power generation, one that could reduce hefty demand charges

Appendix: Results of Initial Analysis - Buy vs. Lease/PPA

Results of Financial Analysis						
	Purchase - 20 years		PPA - 20 Years		Purchase - 25 Years	
	Smart 2	Smart 3	Smart 2	Smart 3	Smart 2	Smart 3
Total cost to the town	$446,800	$446,800	$473,899	$175,262	$471,800	$471,800
Cost per kWh	$0.12	$0.01	$0.17	$0.06	$0.09	-$0.01
Total Savings	$472,652	$772,116	$321,904	$620,540	$701,424	$1,071,180
Buy vs PPA - 20-yr loan	**$150,748**	**$151,576**			**$379,521**	**$450,640**
Buy vs PPA - 10-yr loan	**$207,868**	**$208,696**			**$436,641**	**$507,760**

WORKING DRAFT

December 17,2025

Brookline Municipal Solar Initiative

Discussion with Futures Subcommittee

Vikram Aggarwal, ZEAB Member

Agenda

1. Context & Background
2. Updated Site Evaluation
3. Next Steps
4. Q&A and Open Questions



Context & Background

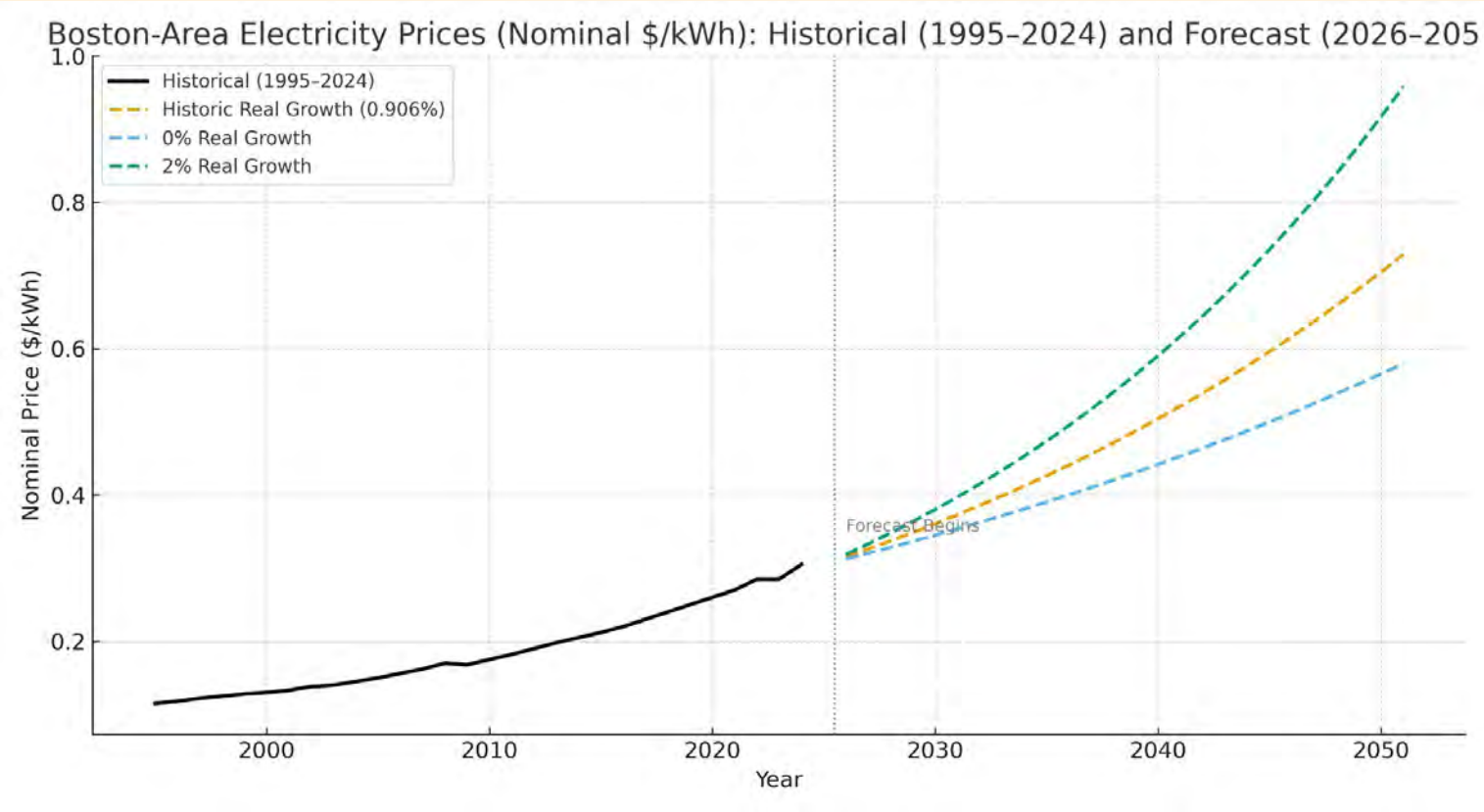
- We started a discussion on Nov 17th about potentially leveraging solar PV installations on town-owned properties to both reduce town's operating costs over the next 20-25 years and to make a meaningful contribution to the town's decarbonization / net-zero emissions goals

  - In FY'27, Brookline will spend $3.7M for electricity; Town currently consumes ~13 million kWh (kilowatt hours) of electricity at an average cost of $0.25 per kWh
  - Assuming 3% annual electricity price inflation over the next 25-years, we will pay $100M+ for electricity
    - U.S., Energy Information Administration (EIA), the pre-eminent Federal Agency is currently projecting 4%-6% annual inflation in the upcoming years

- Brookline currently has solar on seven municipal buildings, of which two are town-owned and rest have Power Purchase Agreements (PPA)
  - Analysis has concluded that owning the solar installations is financially advantageous for the town

- A number of MA Municipalities (e.g., Newton, Worcester, Cambridge) have large scale solar installations to achieve similar objectives

Electricity Prices are projected to rise faster than historical averages



People appreciate solar carports at Parking lots

- Benefits in all seasons: Protection from heat, rain, and snow
  - Limit heat-island effects of parking lots
- Could be a powerful way to demonstrate the town's commitment to decarbonization



Solar @ Wayland High School

Solar @ Worcester Business Center



Carport installations are increasing in MA at municipal, retail, business & school parking lots



Installing solar on landfills is also quite common in MA

Solar @ Landfill in Tewksbury



Solar on rooftops is typically out of sight

Solar on Commercial building



Evaluating Solar on Municipal Buildings, Parking and Sites

- Leveraging satellite imagery and solar analytics software, We Initially had identified sites to potentially install ~9MWs (Megawatts) of solar panels on its buildings, parking lots and transfer station, potentially generating 90%+ of all of town's electricity usage
  - ~2 MWs on 15 building rooftops Plus 2 adjacent parking lots
  - ~6 MWs on town transfer station & [non-recreational open spaces] at Skyline park
  - ~1.2 MWs of solar on 5 town-owned parking lots (as solar canopies)

- Since then, we have identified a list of "Tier 1" priority sites for installation based on roof age and condition, and excluded sites subject to Article 97, etc.
  - Reduced the size of the ground mounted installation at the Transfer Station to 1MW.
    - to allow for expedited installation (less oversight by utility) thus increasing the chances of qualifying for ITC
  - Entirely removed skyline park (as its subject to Section 93).
  - Included potentially 1MW of solar at Single Tree Hill reservoir
  - We removed one parking lot, leaving the 4 parking lots remaining after removing Beacon Street median, and added in the Town Hall Parking Lot

Updated Tier 1 Options & Economics

- Combined system size: **4.5 MW**
- Annual output: 5,600 MWh, about 40% of the Town's current usage
- Total system cost: **$12M**
  - Potential to reduce system cost to **$7.2M - $8.4M** if **all** these projects can be completed by Dec 31, 2027 **Or** commence construction on these projects before July 4, 2026.
  - Town will receive 30% or 40% (if U.S. made equipment is installed, which is typically the case) of the capital cost back as Direct Pay option of the Investment Tax Credit (ITC),
  - If the town can act quickly we will realize these additional savings - **town decision making and commitment is the bottleneck**, not the solar installation.
- 25-year savings: **$21M**
  - Savings could be **~$27M**, if projects qualify for ITC
  - Savings are NET of initial system cost over 25 years; assuming financing at 3.5% over 10-years
- Project will not be **cash flow positive** in the first year of operation; assuming capital expenditure is financed with a 10-year debt @ 3.5% interest rate
  - If we qualify for ITC for some or all installations, especially for canopy & carport installations, we can be cash-flow positive in the first year of operation.

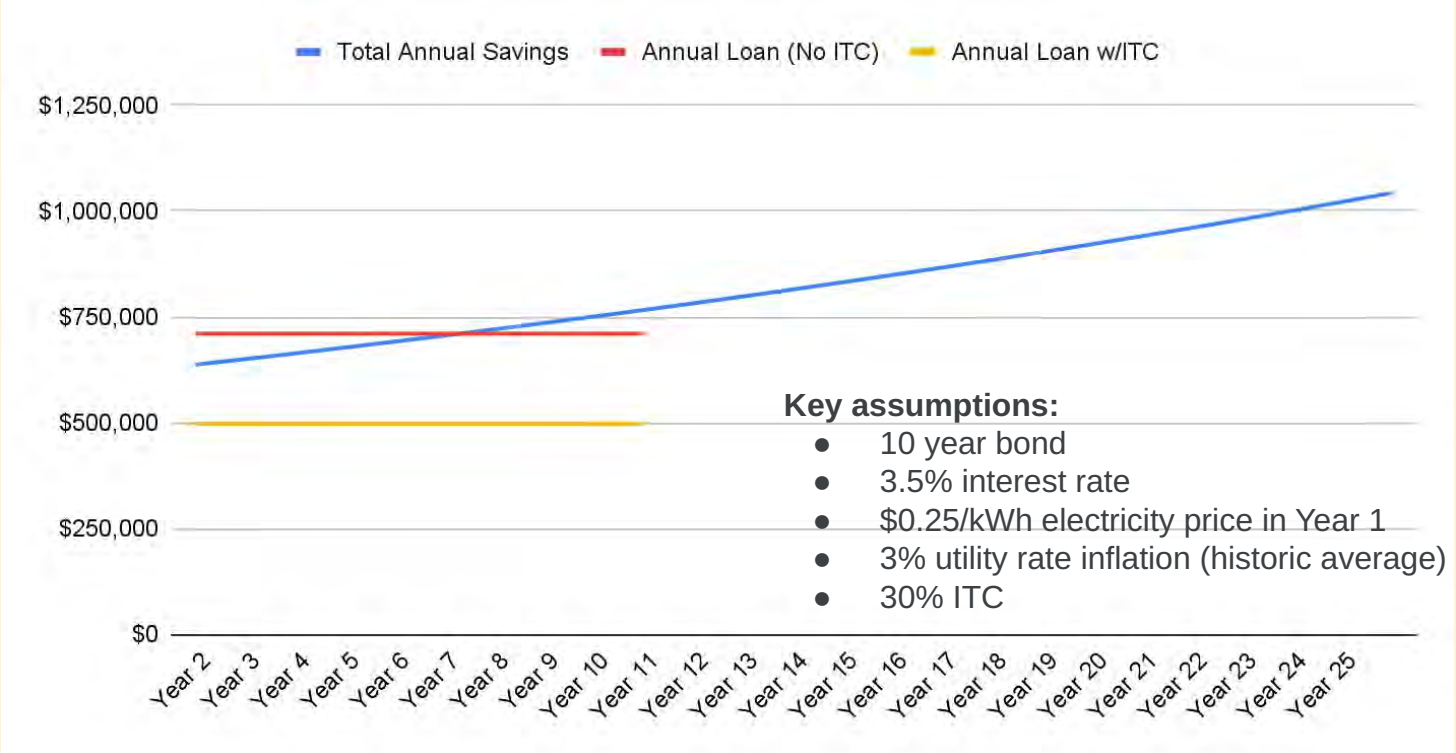
Additional Notes

- Potential to gain significant cost efficiencies and increased savings if we can contract in bulk e.g. the full 4.5MW

- ~2MW of the proposed solar installations are at sites in the solar overlay districts, approved for solar in 2010 and 2015 - and in line with town zoning and policy for over 15 years.
- ~2MW of the proposed solar installations are on 13 roofs & 2 adjacent parking lots, including schools
  - Included in recently approved decarbonization roadmap.
- The remaining ~0.5MW on public parking lots is also in-line with the CARP strategy
  - Opportunity to move away from heat islands to planned urban spaces that passively make money for the town.
  - Potentially leverage installations to encourage EV adoption by offering lower priced EV charging options

Example: Installation at 13 rooftops and 2 adjacent parking lots

- Initial installation cost is estimated to be $5.6M and projected to produce $20M+ of electricity over 25 years
- Annual debt service payments exceed savings for Years 1-6, the project produce total NET savings of $13M over 25 years
- If the project qualifies for ITC, it will be cash-flow positive from Year 1



Next Steps

- Seeking a budget of ~[$200,000] to engage a Consultant / Solar Engineering firm to conduct site visits and confirm and/or update initial assumptions of site suitability and economics
  - Currently evaluating firms and seeking proposals. This cost will likely qualify for ITC
  - Initial assessment was conducted leveraging satellite imagery and solar analytics software

- The study will:
  - Confirm which roofs are suitable, can bear the load of solar panels and size of installation
    - If needed, potential options to reinforce roofs
  - Evaluate suitability of sites for ground-mount and/or canopy installations (e.g., transfer station / landfill), study installation options - e.g., Ballast mounts vs. penetrating mounts; impact of analysis on installation costs, ability to connect to grid and any potential cost, etc.
  - Evaluate suitability of parking lots and options for types of carport installations, ability to connect to the grid, and any additional costs we may have to consider.
  - Help prepare specifications for potential RFP for selected sites
- The results will help provide a more accurate estimate of the total solar installation potential and cost-benefit of the project.
  - Of course, RFP process will help deliver better economics

Appendix

Is Solar Better Than Trees for Reducing Heat Islands Over Parking Lots?

Yes—for parking lots specifically, solar canopies outperform trees in cooling.

Solar canopies provide **immediate, continuous, and total shade** to large paved surfaces—something trees cannot achieve in the tight, harsh environment of a parking lot.

Cooling Power: Solar Canopies vs. Trees



Solar Canopies

- Provide **100% shade coverage** over wide areas.
- Reduce asphalt temperatures by **20–40°F**.
- Block **all direct solar radiation**, the main driver of heat islands.
- Don't interfere with parking patterns or vehicle clearance.



Trees

- Provide **partial shade**, slowly increasing as they mature.
- Usually shade only **small portions** of the lot (unless planted densely).
- Roots struggle in compacted soils & tree pits → smaller canopy.
- Many parking lots require **10–25 years** before tree shade becomes significant.

LAW: Examining the Rules and Risks Surrounding Procurement of Renewable Energy Facilities

By Richard T. Holland

In 2008, Massachusetts enacted the Green Communities Act to promote the development of renewable energy sources, and the market for renewable energy has not been the same since. Municipalities have sought to participate in this market and develop renewable energy sources for any number of reasons, not the least of which is to reduce energy costs. Some have financed and installed their own sources, and others have contracted with a developer to do so on municipal property leased to the developer for that purpose.

It will come as no surprise that there is a tangle of procurement laws that may apply to these installations, as well as a host of legal and contracting issues to consider as part of any procurement.



Procurement Options

There are a number of state laws that may apply to the procurement of renewable energy facilities to be financed and owned by a municipality or by a third party leasing land from the municipality for that purpose. The differences among the laws are many, but the following provides several noteworthy distinctions. Determining which of the laws applies depends on whether the renewable energy facility will be installed on open land or a building, and whether the facility will be financed and owned by the municipality or a third party. More than one law may apply to a procurement, in which event the municipality will need to decide which law best suits its purposes.

• **Chapter 25A** applies to the procurement of energy management services contracts, including contracts for energy efficiency improvements to municipal facilities and the installation of renewable energy facilities on municipal property. It is a design-build statute. Thus, it allows a municipality to issue only one solicitation to procure a single developer to both design and build (and operate and maintain) the renewable energy facility. Although more commonly used for the procurement of contracts involving energy-efficiency modifications to buildings, Chapter 25A was recently amended to include the procurement of renewable energy facilities.

Under Chapter 25A, a municipality may issue a request for proposals under Section 11C or a request for qualifications under Section 11I. The primary difference between the two is that a municipality must request the submission of a price proposal in an RFP and use price as a factor in determining the successful offeror; whereas under an RFQ, a price proposal is not requested until all offerors' statements of qualifications have been evaluated, at which time price negotiations with the top-ranked offeror may commence.

Chapter 25A limits the length of the contract to twenty years and requires

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that annual reports on the performance of the facility be filed with the Department of Energy Resources. It may be used to procure renewable energy facilities that will be financed and owned by the municipality, as well as facilities that will be financed and owned by a third party on municipal property leased for that purpose, where the municipality and third party enter into a power purchase agreement for the purchase of electricity or "net metering" credits. (If a municipality seeks only to lease its property and does not intend to enter into a power purchase agreement with the third party developer, it would simply procure a lease under Chapter 30B, Section 16, which is discussed below.)

Chapter 25A falls under the jurisdiction of the Department of Energy Resources.

• **Chapter 164, Section 143(d),** applies only where the municipality will finance and own the renewable energy facility. It was recently enacted specifically to allow municipalities to use the more simplified procedures under Chapter 30B, sections 5–6, for the procurement of renewable energy facilities and to issue a single solicitation for all supplies, services and equipment, including design, construction, operation and maintenance services. Chapter 30B allows for a sealed-bid process (Sec. 5) or an RFP process (Sec. 6) for such procurements. An RFP, however, may be used only if the municipality's chief procurement officer has determined in writing that, in order to award a contract, it is necessary to consider factors in addition to price, which is typically the situation with the procurement of renewable energy facilities.

Chapter 30B limits contracts to a term of three years, but unlike the twenty-year limitation in Chapter 25A, the three-year limitation may be extended by a vote of the municipality's legislative body to as many years as that body may decide. (Unlike Chapter 25A, Chapter 30B, Section 12(b), expressly allows for an extension of the term of the contract "by majority vote" of the legislative body.)

Chapter 30B is under the jurisdiction of the office of the inspector general.

• **Chapter 149, Section 44A,** applies to projects involving construction of (or to) a building, including, for example, installation of solar panels on a rooftop. It is known as a design-bid-build statute, because a municipality procures design services and construction services separately. Design services are solicited through a request for qualifications under Chapter 7, Section 38K, known as the designer selection law, which applies where both the estimated cost of construction is more than $100,000 and the estimated fee for design services is more than $10,000; construction services are obtained by sealed bid under Chapter 149. (Sealed bids are required for projects costing more than $25,000; Section 44A also sets out the procurement requirements for projects costing less than $25,000.) Chapter 149 also imposes a number of other requirements for projects costing more than $100,000. It may be used to procure renewable energy facilities that will be financed and owned by the municipality.

Chapter 149, Section 44A, falls under the jurisdiction of the office of the attorney general.

• **Chapter 149A, Section 1,** allows municipalities to solicit construction-manager-at-risk contracts for building projects costing $5 million or more as an alternative to the process set forth in Chapter 149, Section 44A. (A construction manager at risk may perform pre-construction, construction, and construction management services for a project, at a not-to-exceed maximum price.) Chapter 149A, Section 1, may be used to procure renewable energy facilities that will be financed and owned by the municipality. It may be used only with the pre-approval of the office of the inspector general; other than the pre-approval requirement, jurisdiction rests with the attorney general.

• **Chapter 30, Section 39M,** applies to the procurement of construction contracts for non-building (or "public works") projects, such as roadways or sewer construction. It is also a design-bid-build statute, but unlike under Chapter 149, a municipality is not required to solicit design services under the designer selection law for public works projects. Since the designer selection law does not apply to such projects, and since contracts with designers are exempt from Chapter 30B [see Ch. 30B, Sec. 1(b)(32A)], a municipality may simply follow sound business practices to procure a designer (e.g., request proposals from three or more designers). Construction services must be procured by sealed bids under Chapter 30, Section 39M. (The advertisement requirements for public works projects under Chapter 30, Section 39M, and building projects under Chapter 149, Section 44A, are the same; they can be found in Section 44J of Chapter 149.) Section 39M may be used to procure renewable energy facilities on open land (not buildings) that will be financed and owned by the municipality.

Chapter 30, Section 39M, falls under the jurisdiction of the attorney general.

• **Chapter 149A, Section 14,** allows municipalities to solicit design-build contracts—where the successful bidder is responsible for both design and construction services—for public works projects costing $5 million or more as an alternative to the process set forth in Chapter 30, Section 39M. Section 14 may be used to procure renewable energy facilities that will be financed and owned by the municipality and are on open land (not buildings). It may be used only with the pre-approval of the inspector general; other than the pre-approval requirement, jurisdiction rests with the attorney general.

• **Chapter 30B, Section 16,** applies to the acquisition and disposition of public property, including leases to third parties. Therefore, it applies only where a third party will be installing, owning and operating a renewable energy facility on public property leased by such third party from the municipality for that purpose. For the lease of public property, Chapter 30B, Section 16, requires issuance of an RFP when the total fair market rental value of the property (to be determined using accepted appraisal methods) over the term of the proposed lease, including any option years, exceeds $25,000. Unlike the RFP process in Section 6 of Chapter 30B for the procurement of supplies or services, the RFP process under Section 16 has few requirements to satisfy. This flexibility may be an

advantage, as a municipality may fashion its own rating scheme and rule for contract award, provided it maintains open and fair competition and allows for meaningful comparisons of proposals.

Chapter 30B, Section 16, falls under the jurisdiction of the inspector general.

Between Chapter 30B, Section 16, and Chapter 25A, the former might seem the more flexible, if not appealing, choice for procuring third-party-owned renewable energy facilities to be installed both on open land and buildings, because both installations involve a lease of municipal property; Chapter 25A imposes requirements not found in Chapter 30B, such as the twenty-year contract term limitation and the requirement that municipalities submit annual reports to the Department of Energy Resources; and power purchase agreements are exempt from procurement under Chapter 30B [in Sec. 1(b)(33)] as "energy contracts … for energy or energy-related services." There appears, however, to be a general, if unofficial, consensus among the state agencies having jurisdiction over these public procurements—the inspector general, the attorney general, and the Department of Energy Resources—that building installations (as opposed to installations on open land) are best procured under Chapter 25A, because a building installation is more "energy contract" or "building construction" than "lease." Whether one agrees or disagrees with this reasoning, it reflects the imperfections of the procurement laws, at least with respect to the procurement of third-party-owned renewable energy facilities on municipal property. For example, although Chapter 25A speaks to energy contracts, it does not address the lease of property; and the reverse is true with respect to Chapter 30B, Section 16, which applies to leases but not energy contracts. (Although Chapter 25A requires developers to provide a performance guarantee, which is commonly mentioned as an advantage for municipalities, such a requirement could be included in a procurement under Chapter 30B, Section 16, simply by writing it into the RFP.)

In reality, no matter the statute followed, these procurements will be hybrids—basing an award of contract on, among other things, the lease and energy prices offered by developers. If there is any lesson here, it is that municipalities should consult with legal counsel and the relevant state agencies before and throughout the procurement of any renewable energy facility.

Power Purchase Agreements

The purpose of a PPA, like any other contract, is not only to memorialize a transaction or arrangement, but to allocate risk between the parties. Of the risks involved with a PPA, perhaps the most pronounced are the long-term nature of the contract, which may span twenty or more years, and the lack of certainty over energy prices and the energy needs of the municipality many years into the future. Before embarking on a PPA, therefore, municipalities are well advised to seek the assistance of experienced professionals in the procurement and negotiation of such contracts. These will include legal counsel and technical (energy, engineering and/or financial) consultants. Many municipalities have established energy committees and appointed experienced volunteers, used in-house expertise, procured technical consultants pursuant to the provisions of Chapter 30B, or employed some combination thereof.

Under a PPA, a municipality will be purchasing the energy produced by the renewable energy facility, whether that energy is consumed by an onsite facility or delivered into the electric distribution grid, or both. When electricity is delivered into the grid and the municipality has successfully applied for net metering services, the municipality will receive from the utility "net metering credits," which represent the monetary value of, and the utility's payment for, that electricity. Net metering credits are calculated pursuant to net metering regulations (220 CMR 18.00) promulgated by the Department of Public Utilities and implemented through the utility's DPU-approved net metering tariff. A municipality will use net metering credits, which will be reflected on the invoices it receives from the utility, to offset the costs of electricity charged by that utility. (For facilities having a capacity of more than one but less than two megawatts, the utility may, at its election, pay a municipality cash for the electricity rather than provide net metering credits.) If the net metering credits received from the utility exceed the total annual electricity costs eligible

Procurement Options for Renewable Energy Facilities

PROJECT TYPE	FACILITY OWNED BY MUNICIPALITY OR THIRD PARTY	G.L. Ch. 149 Sec. 44A	G.L. Ch. 149A	G.L. Ch. 30B Sec. 16	G.L. Ch. 30B Secs. 5-6 (G.L. Ch. 164)	G.L. Ch. 30 Sec. 39M	G.L. Ch. 25A Sec. 11C and 11I
Building	Municipality Owned ≥ $5 M	X	X		X		X
	Municipality Owned < $5 M	X			X		X
	Third-Party Owned						X
Open Land	Municipality Owned ≥ $5 M		X		X	X	X
	Municipality Owed < $5 M				X	X	X
	Third-Party Owned			X			X

for offset, such credits will accumulate for later use, unless the municipality allocates those credits to another municipality or other governmental entity (which is allowed under 220 CMR 18.05[1]). If the facility is to be owned by a third party and is expected to produce excess credits, the PPA must address the allocation of those credits. For facilities that will feed electricity back to the grid, a municipality must, therefore, determine the total annual electricity costs that are eligible for offset and whether it desires a facility only large enough to offset those costs or a larger facility that will produce and allow for the allocation of excess credits.

In addition, the municipality should consider whether it may, in the future, develop its own renewable energy facilities or undertake other energy conservation projects, which may reduce future electricity costs. Any plans for such projects should be taken into account when determining the size of a renewable energy facility, especially in light of the regulatory cap for municipal net metering services, currently set at 10 megawatts for each municipality or governmental entity.

Price and Other Considerations

Power purchase agreements are complex, lengthy documents. The following are some key provisions that may be included in a PPA.

A municipality must decide whether to require a developer to guarantee a certain level of production of electricity. Although a developer interested in maximizing revenue will have a strong incentive to maximize electricity production, the municipality should request a guarantee of a certain level of electricity production each year. (In fact, a performance guarantee, so called, is a requirement under Chapter 25A.) It is expected that, in establishing such a guarantee, a developer will account for periods when the facility is not producing electricity, such as during routine repairs, or as a result of extraordinary events beyond the developer's control (known as "force majeure" events), including the absence of fuel (no sun or wind, for example), or due to the degradation of equipment over time. For example, in New England, due to climate conditions, it can be expected that a photovoltaic facility will produce electricity at maximum capacity only 12 to 15 percent of the time.

The municipality may also consider including within the PPA an option to purchase the facility. For tax reasons and in order to maximize revenue from solar renewable energy certificates that will be generated by a facility, a developer may be unwilling to agree to the exercise of an option to purchase before the tenth year of the agreement. The parties may agree, in advance, on a schedule of purchase prices based upon reasonable estimates of the future fair market value of the facility; or they may agree that, upon the exercise of the purchase option, an independent appraiser selected by the parties will determine the fair market value of the facility, which will then serve as the purchase price. Given the difficulty in determining the price so far in advance and the likely advantage of the developer in establishing such a price, the use of an independent appraiser at the time of purchase is recommended. (In its recent *Guide to Developing Solar Photovoltaics at Massachusetts Landfills*, the Department of Energy Resources states that the purchase price should not be predetermined, but should instead be based on an independent appraisal at the time of purchase.)

"Municipalities should consult with legal counsel and relevant state agencies before and throughout the procurement of any renewable energy facility."

[A note on solar renewable energy certificates, or SRECs: They represent the positive "environmental attributes" of the energy generated by a qualifying facility. One SREC is minted for each megawatt hour of electricity generated. The Massachusetts Renewable Energy Portfolio Standard requires regulated utilities and competitive suppliers to obtain a percentage of electricity from renewable energy sources. To comply with this requirement, utilities and suppliers may purchase SRECs on the open market.]

Another important issue is "liquidated damages." The theory of liquidated damages is that, in certain instances, in the event of a breach of contract, a non-breaching party's actual damages will be difficult to calculate. As a result, the parties may agree in advance on an amount of damages that the non-breaching party will be paid in the event of a breach, and then include that amount in their agreement. This amount is called "liquidated damages" (sometimes called a "terminal value" or "termination fee" in PPAs). Provisions for liquidated damages present a serious risk for municipalities and should be avoided if possible. A municipality may prohibit, in its procurement document, the inclusion of a liquidated damages provision in the PPA, though this may affect the number of offers received in response to its solicitation. If, however, a liquidated damages provision is not prohibited and is proposed by the developer, the developer should be required to explain in detail how the damages were calculated. Such a provision, like any other contained in the PPA, should be negotiated. Even without a liquidated damages provision, however, a municipality should anticipate that a breach of the PPA may result in significant damages. For this reason, the municipality should insist on language that expressly requires the developer to use all commercially reasonable and diligent efforts to mitigate its damages (in the event of a breach of contract by the municipality) by, for example, selling electricity and net metering credits to all other willing purchasers at the highest price, or similar language.

The PPA should include provisions on insurance. Whenever a municipality leases property to another party it should consult with its insurer or risk advisor about the insurance to require of the lessee and whether existing municipal insurance should be adjusted. Municipalities should also consider whether to require a developer to furnish surety bonds (or

other security) to ensure that the facility will be properly installed, operated, maintained and/or removed at the end of the term of the PPA and lease. The PPA should also include a requirement that the developer indemnify (pay) the municipality for damages arising from the developer's activities on municipal property. The requirement should include payment of the municipality's costs and expenses—including attorneys' fees—incurred in connection with any action to recover such damages. It should also include payment of any regulatory fines or penalties imposed against the municipality, such as those assessed by the Department of Environmental Protection in connection with damages arising from a facility installed on a municipal landfill.

Last but not least is the issue of price. The price for electricity and/or net metering credits generated by a renewable energy facility may be fixed or indexed, or a hybrid. A fixed price might be, say, 8 cents (flat or adjustable) per kilowatt hour. The risk of such a pricing structure is that electricity prices and the value of net metering credits could, over time, dip below the fixed price paid by the municipality. An indexed price, on the other hand, may require payment of a certain percentage (say, 75 percent) of the value of a net metering credit at any given point in time. Such a structure ensures that the municipality will never pay more than the value of the credit, shifting the risk of declining prices to the developer. It is likely, however, that the developer will insist, even with an indexed price, on a minimum floor price to satisfy the facility's financiers, who will expect a steady, uninterrupted stream of income—hence a hybrid pricing structure. In any event, shifting the risk of declining prices to a developer will likely result in a higher energy price for the municipality.

Taxes

A dilemma for municipalities and developers has been the issue of taxes. Although municipal and other publicly owned land is exempt from real estate taxes, if public land is leased to a private party for a private purpose, the land will be taxable to the lessee as if the land were privately owned. The Department of Revenue has taken the position that municipal land leased to a private entity for a renewable energy project becomes subject to taxation pursuant to Chapter 59, Section 2B, even if the municipality receives a benefit from the lessee's use of the land in the form of a reduced price for electricity. In addition, the developer will likely be required to pay taxes on the electric generating equipment incorporated into the facility. Whether the equipment will be taxed as personal property or as part of the real property is a determination to be made by the local assessor. Although the taxation requirement will invariably result in a higher energy price for the municipality, it must be remembered that these taxes are still "new money" for the municipality. In any event, a municipality should include in its procurement document and PPA the requirement that the developer pay all personal property and real estate taxes for the property and renewable energy facility.

It is possible for a municipality and a developer to execute a payment-in-lieu-of-taxes (PILOT) agreement under Chapter 59, Section 38H(b), or, if the property is located within an economic opportunity area, a tax increment financing plan under Chapter 40, Section 59. A PILOT agreement provides for fixed annual payments throughout the term of the agreement. Although these payments are negotiated, they must be based on the full and fair cash valuation of the real and personal property. A TIF agreement, on the other hand, exempts from taxation a portion of the increased value of the real property resulting from the renewable energy facility. PILOT and TIF agreements require approval by the municipality's legislative body.

Statutory and Regulatory Compliance

The applicability of prevailing wages must be considered. For facilities financed and owned by the municipality, prevailing wages will apply. For third-party-financed and -owned facilities, whether prevailing wages will apply will depend upon the circumstances of the procurement. The more control a municipality seeks to exercise over the means and methods employed by the third party in the construction of a facility—by, for example, requiring a certain level of quality in the materials and equipment incorporated into the facility, as a municipality may do if it anticipates that it may purchase the facility in the future—the more likely that the Department of Labor and Workforce Development and/or the attorney general will find the prevailing wage law applicable. Where applicable, a municipality will be expected to obtain the prevailing wage rate sheets and include them in its procurement document, or, for third-party financed projects, require the developer to do so at the time of construction. Municipalities, therefore, should include a provision in their procurement documents and PPAs requiring the developer to comply with all applicable local, state and federal laws in the financing, construction, operation and maintenance of the facility, including the prevailing wage law.

There will also be various permitting and approval requirements for a renewable energy facility, including zoning approvals. In some instances, a more complicated regulatory approval process will be required. For example, if a facility is to be located on a capped landfill, the post-closure use of the site must be approved by the Department of Environmental Protection. DEP approval will also be required if a facility is to be installed on water supply land. The PPA should require the developer to obtain (and pay for) all governmental and non-governmental permits and approvals.

Other possible concerns include whether the property was acquired for water supply protection purposes or open space or recreational uses, commonly referred to as Article 97 purposes, a reference to the applicable provision of the Massachusetts Constitution. If so, approval of the local board having custody of the property, the local legislative body (by a two-thirds vote), and the Massachusetts General Court (two-thirds vote of both Houses) will likely be required for the property to be leased to a developer and used for the purpose of a renewable energy facility.

Prior to advertising its procurement, the municipality should consider conducting a review of the property to determine what, if any, approvals may

continued on page 28

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be required, and whether there are any easements, restrictions or other encumbrances that may complicate or prohibit use of the property for the installation of a renewable energy facility.

Moreover, in order to connect a facility to the electric grid for net metering services, the developer must obtain approval from the utility in accordance with the utility's DPU-approved interconnection tariff. The PPA should require the developer to obtain (and pay for) such approval, as well as for any upgrades to the electric distribution grid that may be required by the utility as a condition of any such approval. Since the municipality will be the "host customer" on the meter installed for the facility and, as such, will be required to enter into a host customer agreement with the utility, the municipality should require the developer to pay for all costs incurred by the municipality under that agreement.

Furthermore, local legislative approval will likely be necessary for most if not all third-party financed facilities. Such approval will be required in order to lease open land for the installation of such facilities and may be necessary for building installations, though a municipality may, generally, lease a (non-school) building for a period not to exceed thirty years without legislative approval (see Ch. 40, Sec. 4). As for a PPA, although exempt from Chapter 30B, due to the length of, and significant risks presented by, such an agreement, it is generally recommended that municipalities obtain local legislative approval to enter into the agreement. Since the municipality will likely need to obtain such approval to lease the property, it may simply include language in the appropriate legislative vote for approval of the PPA as well.

Conclusion

There are myriad factors, risks and potential pitfalls that should be considered when procuring renewable energy facilities to be installed on public property. With careful drafting and attention to detail, however, it is possible to procure such facilities in a manner that reasonably protects the municipality while affording maximum benefit from both environmental and financial perspectives.



Solar Ownership from a Municipal Perspective

Green Communities Summit November 18th, 2025

John Odell, Chief Sustainability Officer, City of Worcester

City Solar Approach

- The City owns and maintains 20 (21st on the way) solar installations
  - Over 12.5 Megawatts – DC
- Key drivers of Ownership model were financial benefit and ESPC financing
  - Solar revenue goes to paying off the bond to build the array and to the city's Carbon Mitigation Revolving Fund (CMRF), which funds some department salaries/projects and Solar O&M







Why Worcester Chooses Ownership





- Ownership captures full value of net metering + SMART + SRECs
- Projects have a strong ROI and build can be financed through ESPC (25A) process
- Power Purchase Agreement (PPA) = third party contracts, risk of price changes, and less $ for the city
- Ownership = Control, transparency, long term benefit, true resiliency, and strategic planning

Greenwood St. Landfill Solar Array

- 8.1 MW – DC
- $28M Cost
- Financed through an Energy Savings Performance Contract (ESPC) with Honeywell
- Allows the city to sell SRECs and electricity at net-metering rates, with an estimated savings of $52 million over first 20 years and an additional $17 million in the subsequent decade.
- Ownership means the city keeps the revenue, unlike a PPA (Power Purchase Agreement) where a third party owns the system and sells the power back to the city.



Ownership Considerations

Funding

Need up front capital or funding mechanism (bonds, grants, etc.)

Long-term Planning

30+ year lifespan - must align with site plan, confirm roof age (if applicable), building or site usage, future goals, confirm staff capacity

Operations & Maintenance

Owner bears O&M and replacement responsibility

Procurement Pathways

Can Procure under MGL Ch 149 or Ch 25A

Higher effort, but greater lifetime savings & control

Key Aspects of Build Process

- **Site Selection**

  Cross Department Collaboration, Shading, Structural Load Assessment (for rooftops), Geotech (for canopies), Utility Electrical Capacity, Abutter Impact, Zoning, Easements, and Site Restrictions

- **Utility interconnection & Incentives (SMART Program, etc.)**

  Start early – this will set timeline. Failure to get in the utility queue at beginning of project can potentially kill the project if capacity an issue at site. Need to know that as early as possible

- **Procurement**

  Identify Pathway (149 or 25A), Bid Package to Include Scope of Work, Contract, Warranty Requirements, Performance Specifications, Etc.

- **Build**

  Prevailing Wage Rates, Schedule, Site Impacts, Electrical Service Interruption(s), Worker & Site Safety

- **Commissioning**

  Testing (rapid shutdown, inspections), Confirm interconnection, submit SMART Claim, Begin production monitoring, and implement O&M plan

Maintenance and Ownership Realities

- City owns monitoring, repairs, and service/repair vendor contracts
- Regular inspections, cleaning, and pest control are essential
- Flexibility for maintenance and repairs under Ch 25A but, especially if your solar PV portfolio is significant, the $300k cap leads to many one-off repairs.
- ESPC model allows for longer term maintenance contract, which is preferable from a consistency perspective, both in terms costs and performance variability

Current Opportunity – Smart 3.0 and IRA - ITC

- Smart 3.0 significantly more lucrative than Smart 2.0

Feature	SMART 2.0	SMART 3.0 (Program Year 2025)
Rate Structure	Declining block structure (rates decrease by 4% per block for standalone, 2% per block for behind-the-meter)	Annual adjustable rates based on cost analysis
>250 to ≤500 kW AC	Varied by block and utility territory	**$0.2482/kWh**
>500 to ≤1,000 kW AC	Varied by block and utility territory	**$0.2113/kWh**
>1,000 to ≤5,000 kW AC	Varied by block and utility territory	**$0.1729/kWh**
Compensation Term	10 years (≤25 kW) 20 years (>25 kW)	20 years (all projects)
Rate Adjustment	Fixed at time of enrollment, declined as blocks filled	Annual assessment and adjustment possible
Capacity	3,200 MW total program cap	900 MW for Program Year 2025 (annual allocation)

Current Opportunity – Smart 3.0 and IRA - ITC

- ITC – Incentives will be eliminated, but there is still time to take advantage (30% tax credit)
- Beginning construction by July 4, 2026 is best choice as it allows more time to complete the installation – December 31, 2030
- Beginning construction after July 4, 2026 and before December 31, 2026 is not ideal because system must begin operating by December 31, 2027 to qualify for tax credits
- Be aware of more strict ”Foreign Entities of Concern” requirements

Key Takeaways

- Ownership provides the highest long-term value and control but requires staff to manage O&M for the lifetime of the array . Investing in solar now, especially under the ownership model, may never again be this lucrative in MA
- PPAs fit when up front capital and/or staff capacity for O&M management is limited
- If you want to own, make sure you have
    - Funding Source(s)
    - Staff Capacity
    - A Plan for Revenue
    - A Plan for O&M
    - A Suitable Site

THANK YOU

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GREEN WORCESTER

The City of Worcester

BLUE WAVE CAPITAL

Town of Brookline Solar Initiative

Metropolitan Area Planning Council Regional Solar Initiative

December 8, 2015



BlueWave Capital, LLC is a mission-driven solar energy development and finance company headquartered in Boston MA with offices located in Charleston SC; Nassau, The Bahamas; and Cape Town, SA. BlueWave's team is developing more than 500 megawatts (MW) of solar projects around the world.

- Experienced and talented team of 35 solar development professionals with expertise in finance, real estate, engineering and public policy.
- A belief in using solar as not only a means of reducing electricity costs but also as leverage to achieve additional community and economic development goals.
- A demonstrated and long-standing commitment to progressive environmental and energy policy and deep engagement in shaping those policies.
- A proven track record of success with strong references from our customers and partners.



45MW of Installed Solar

- **25+ projects** installed in the Commonwealth
- **16 PPA's** with cities, towns, housing authorities, community colleges and private schools
- **CO_2 emissions reduced by 34,000 metric tons** annually (equivalent to removing 50,000+ cars from the road)

Local Economic Benefits

- **300** local engineering and construction jobs
- **$15M** in additional property tax revenues
- Over **$4.5M** in annual savings for customers
- Over **$125M** in savings over the life of the contracts



BlueWave Capital solar array, Grafton MA

Selected by MAPC to Develop Solar Projects for 17 Cities and Towns

- Selected as the Metropolitan Area Planning Council's (MAPC) **preferred solar developer** in 2014
- Enabling cities and towns in the Greater Boston Area to significantly reduce their electricity costs with solar projects at **locally chosen sites**
- Working with Mayors and other municipal leaders to promote **community solar** for local businesses and residents

MAPC
METROPOLITAN AREA PLANNING COUNCIL
Smart Growth & Regional Collaboration

MAPC Initiative Selects BlueWave Capital to Develop Solar Projects for 17 Cities and Towns (May 2014)

In May 2014, the Metropolitan Area Planning Council (MAPC), with the involvement of a committee of municipal finance and public works officials and the assistance of outside consultants and legal counsel, selected BlueWave Capital as the preferred solar developer for the Council's Regional Solar Initiative. BlueWave and its partners are enabling more than 15 cities and towns in the Greater Boston Area to significantly reduce their electricity costs from BlueWave-developed solar facilities at locally chosen sites including parking lots, landfills and the roofs of schools and other municipal buildings.

MAPC
METROPOLITAN AREA PLANNING COUNCIL
Smart Growth & Regional Collaboration

BLUEWAVE CAPITAL

Additional activities include:

- Work with Mayors and other municipal leaders to promote community solar for local businesses and residents.
- Collaboration with regional vocational technical schools, chambers of commerce and others to hire local contractors and facilitate green jobs training.
- Implementation of web-based monitoring systems and science programs to maximize the educational value of solar.



THE WALL STREET JOURNAL.

"Where Whale Oil Once Reigned, a Town Looks to Renewable Energy – New Bedford, MA"
(5/19/14)

BOSTON BUSINESS JOURNAL

"BlueWave Capital is living proof that there's a vibrant solar industry in America "
(9/13/13)

SouthCoast TODAY

"EPA Administrator Gina McCarthy praised the city's latest solar installation at the Sullivan's Ledge Superfund site"
(9/20/14)

Solar Power World

"Projects like Sullivan's Ledge demonstrate the opportunities that can be achieved through solar"
(9/23/14)

The Boston Globe

"Keeping the Solar Revolution Going"
(6/20/14)

Bloomberg

"SunEdison Buying 50 Megawatts of Solar Capacity From BlueWave"
(6/23/14)

SunEdison (SE) is BlueWave's financing partner on more than 40 MWs in Massachusetts. The projects are located throughout the Commonwealth on landfills, Superfund sites, and other brownfields. With over 1,000 solar power plants, built, financed, and/or under O&M, SunEdison is one of the largest solar energy service providers in the world. Since its formation, the company has raised more than $5 billion in project financing and was also the first commercial provider of the solar Power Purchasing Agreement. (NYSE: SUNE).

Massachusetts' Solar Policy

Renewable Mandates and Market-Based Incentives for Solar Deployment

Policy	Program/Incentive	Program Goals
Renewable Portfolio Standard 2003-Present	• 2003-2009: Energy suppliers must obtain 1% of their electricity from renewable sources (increases by .5% every year) • 2008: Green Communities Act establishes Net Metering and Virtual Net Metering • 2009-present: 1% annual increase	• 15% renewable generation by 2020
Solar Carve-Out Program 2010	• Solar Renewable Energy Credits (SREC I): Suppliers must obtain portion of electricity from solar and satisfy this obligation by purchasing SREC's from generators	• 400 MW goal by 2017
Solar Carve-Out Program 2014	• Solar Renewable Energy Credits (SREC II) • SREC II preference based on market sector; Community Solar, Brownfields etc.	• 1,600 MW goal by 2020

DOER
Massachusetts Department of Energy Resources

BLUE WAVE CAPITAL

BLUE WAVE CAPITAL

BROOKLINE SOLAR INITIATIVE

MAPC/BlueWave Work to Date in Brookline:

- **SITE ASSESSMENTS**

  Assessed roof age, condition, and the availability of suitable ground, roof, and/or parking lot space.

- **CARPORT FEASIBILITY**
  Assessed preliminary feasibility for construction and interconnection of Transfer Station Carport.

- **PPA RATE CALCULATIONS**

  The PPA price is based on the total project cost, the expected solar production, and the long-term operating and maintenance costs of the solar facility. The starting PPA rate and any PPA escalator are inversely related.

  **Final system sizes will be refined based on customer feedback, compliance with SREC 2 requirements and are subject to additional engineering and design verification.*

BLUE WAVE CAPITAL

STATE APPROVES 41 PERCENT RATE HIKE FOR EVERSOURCE CUSTOMERS

- In November, **The Department of Public Utilities (DPU) approved a 41% increase** for EVERSOURCE Customers. With transmission, transition and distribution fees, total Net-Metering Credit value amounted to 18.8 cents/kWh for customers in the Southeast. The rate came into effect in January ’15 and continued until June ’15. The Fall rate is now 14.2 cents/kWh, increasing the average of Fall/Spring to 16.47 cents/kWh.

- The rate increases reflects the rising cost of natural gas; pipeline constraints; utility transmission and distribution investments; and the shutdown of the Salem Harbor, Mount Tom and Brayton Point coal plants as well as Vermont Yankee’s nuclear plant.

Components of NMC Value		
Basic Service (for Winter*)	0.1450	+61%
Transmission	0.021	
Transition	0.0029	
Distribution	0.019	
Total	0.1879	+41%

*The **average of the winter and summer rates**, weighted to reflect the higher solar production during summer, is 16.47 cents/kWh, which is the rate we use for our savings calculations.

Brookline System Summary

Site	Address	Type	Size KW DC	Yield KWH/KW/Year	Year 1 KWH Production
Transfer Station Carports	813 Newton St	Carport	1,358	1,181	1,603,798
Brookline High School	115 Greenough St	Rooftop	230	1,215	279,450
Devotion School	345 Harvard St	Rooftop	260	1,228	319,280
Runkle School	50 Druce Street	Rooftop	72	1,276	91,872
Brookline Swimming Pool	66 Tappan St	Rooftop	66	1,244	82,104
Brookline Library	361 Washington St	Rooftop	34	1,228	41,752
Fire Station #5	49 Babcock St	Rooftop	10	1,245	12,450
Soule Gym	658 Hammond St	Rooftop	12	1,245	14,940
Total			**2,042**	**1,198**	**2,445,646**

Brookline Savings Summary

Site	Type	NMC Value [1]	NMCPA Rate [2]	Year 1 Savings [3]	20 Year Savings (0.5% escalator) [3]	20 Year Savings (1.5% escalator) [3]
Transfer Station Carports	Carport	$0.1946	$0.1350	$95,659	$2,111,334	$2,738,076
Brookline High School	Rooftop	$0.1946	$0.0950	$27,846	$581,137	$690,342
Devotion School	Rooftop	$0.1946	$0.0950 [3]	$31,815	$663,967	$788,737
Runkle School	Rooftop	$0.1946	$0.0950 [3]	$9,155	$191,055	$226,957
Brookline Swimming Pool	Rooftop	$0.1946	$0.1450 [3]	$4,076	$92,423	$124,508
Brookline Library	Rooftop	$0.1946	$0.1450 [3]	$2,073	$46,999	$63,315
Fire Station #5	Rooftop	$0.1946	$0.1700 [3]	$307	$8,077	$12,942
Soule Gym	Rooftop	$0.1946	$0.1700 [3]	$368	$9,692	$15,530
Total		**$0.1946**	**$0.12**	**$171,299**	**$3,704,684**	**$4,660,407**

1 Average of winter and summer rates, weighted to reflect the higher solar production during summer, is 19.46 cents per KWH.
2 All proposed rates assume no lease payments or personal property tax.
3 Estimated based on best-known parameters, realized savings are contingent on final design and engineering and realized utility rates.

NEXT STEPS AND TIMING:

- **Discuss Portfolio with Key Stakeholders**
  BWC will provide overview of project, impacts and schedules, answer questions of key stakeholders.
- **NMCPA CONTRACT REVIEW (1-3 weeks after meeting)**
  BWC has provided a fully vetted/pre-negotiated contract completed by Cadmus, BWC, MAPC and Sun Edison for Sherborn's review.
- **REVISIONS TO SYSTEM SIZE IF NEEDED**
  EPC will finalize system design and engineering.
- **POPULATION OF CONTRACT PRICING AND TERMS (4-6 weeks after meeting)**
  Contracts will be completed and submitted for final pricing review.
- **CONTRACT EXECUTION (6-8 weeks after meeting)**

APPENDIX 1 – Electricity Savings Analysis

High and low savings estimates based on a Utility rate annual increase of 0.5% and 1.5% over the next 20 years

System Size (kW, dc)	1,358
Output Yield (kWh/kW)	1,181
Current Utility NMC Value ($/kWh)	$0.1946
Annual Utility Rate Escalator - Low Case (0.5%)	0.5%
Annual Utility Rate Escalator - High Case (1.5%)	1.5%
Annual Output Degradation	0.50%
Year 1 NMC Purchase Rate ($/kWh)	$0.1350
Annual NMC Purchase Rate Escalator	0.0%

Operating Year	Annual System Output (kWh)	Utility NMC Value Low ($/kWh)	Utility NMC Value High ($/kWh)	Solar NMC Purchase Rate ($/kWh)	Total Estimated Savings Low ($)	Total Estimated Savings High ($)	Cumulative Savings Low	Cumulative Savings High
1	1,603,798	$0.195	$0.195	$0.135	$95,659	$95,659	$95,659	$95,659
2	1,595,779	$0.196	$0.198	$0.135	$96,733	$99,839	$192,392	$195,498
3	1,587,800	$0.197	$0.201	$0.135	$97,803	$104,046	$290,194	$299,544
4	1,579,861	$0.198	$0.204	$0.135	$98,867	$108,277	$389,061	$407,821
5	1,571,962	$0.199	$0.207	$0.135	$99,925	$112,535	$488,986	$520,356
6	1,564,102	$0.200	$0.210	$0.135	$100,978	$116,820	$589,965	$637,176
7	1,556,281	$0.201	$0.213	$0.135	$102,026	$121,130	$691,991	$758,306
8	1,548,500	$0.202	$0.216	$0.135	$103,069	$125,468	$795,060	$883,775
9	1,540,758	$0.203	$0.219	$0.135	$104,107	$129,834	$899,167	$1,013,608
10	1,533,054	$0.204	$0.223	$0.135	$105,139	$134,227	$1,004,306	$1,147,835
11	1,525,389	$0.205	$0.226	$0.135	$106,166	$138,648	$1,110,471	$1,286,483
12	1,517,762	$0.206	$0.229	$0.135	$107,188	$143,097	$1,217,659	$1,429,580
13	1,510,173	$0.207	$0.233	$0.135	$108,204	$147,576	$1,325,863	$1,577,156
14	1,502,622	$0.208	$0.236	$0.135	$109,216	$152,083	$1,435,079	$1,729,239
15	1,495,109	$0.209	$0.240	$0.135	$110,222	$156,620	$1,545,302	$1,885,860
16	1,487,633	$0.210	$0.243	$0.135	$111,224	$161,187	$1,656,525	$2,047,047
17	1,480,195	$0.211	$0.247	$0.135	$112,220	$165,784	$1,768,745	$2,212,831
18	1,472,794	$0.212	$0.251	$0.135	$113,211	$170,412	$1,881,957	$2,383,243
19	1,465,430	$0.213	$0.254	$0.135	$114,198	$175,071	$1,996,154	$2,558,314
20	1,458,103	$0.214	$0.258	$0.135	$115,179	$179,761	$2,111,334	$2,738,076
21	1,450,812	$0.215	$0.262	$0.135	$116,156	$184,483	$2,227,489	$2,922,559
22	1,443,558	$0.216	$0.266	$0.135	$117,127	$189,237	$2,344,616	$3,111,796
23	1,436,341	$0.217	$0.270	$0.135	$118,094	$194,024	$2,462,710	$3,305,821
24	1,429,159	$0.218	$0.274	$0.135	$119,055	$198,844	$2,581,765	$3,504,665
25	1,422,013	$0.219	$0.278	$0.135	$120,012	$203,697	$2,701,777	$3,708,362
20 Year Total	**30,597,104**				**$2,111,334**	**$2,738,076**		

High and low savings estimates based on a Utility rate annual increase of 0.5% and 1.5% over the next 20 years

System Size (kW, dc)	230
Output Yield (kWh/kW)	1,215
Current Utility NMC Value ($/kWh)	$0.1946
Annual Utility Rate Escalator - Low Case (0.5%)	0.5%
Annual Utility Rate Escalator - High Case (1.5%)	1.5%
Annual Output Degradation	0.50%
Year 1 NMC Purchase Rate ($/kWh)	$0.0950
Annual NMC Purchase Rate Escalator	0.0%

Operating Year	Annual System Output (kWh)	Utility NMC Value Low ($/kWh)	Utility NMC Value High ($/kWh)	Solar NMC Purchase Rate ($/kWh)	Total Estimated Savings Low ($)	Total Estimated Savings High ($)	Cumulative Savings Low	Cumulative Savings High
1	279,450	$0.195	$0.195	$0.095	$27,846	$27,846	$27,846	$27,846
2	278,053	$0.196	$0.198	$0.095	$27,977	$28,518	$55,823	$56,364
3	276,662	$0.197	$0.201	$0.095	$28,108	$29,196	$83,931	$85,560
4	275,279	$0.198	$0.204	$0.095	$28,238	$29,878	$112,169	$115,438
5	273,903	$0.199	$0.207	$0.095	$28,367	$30,565	$140,536	$146,002
6	272,533	$0.200	$0.210	$0.095	$28,496	$31,256	$169,032	$177,258
7	271,171	$0.201	$0.213	$0.095	$28,624	$31,953	$197,656	$209,211
8	269,815	$0.202	$0.216	$0.095	$28,752	$32,655	$226,408	$241,866
9	268,466	$0.203	$0.219	$0.095	$28,878	$33,361	$255,286	$275,227
10	267,123	$0.204	$0.223	$0.095	$29,005	$34,073	$284,291	$309,300
11	265,788	$0.205	$0.226	$0.095	$29,130	$34,790	$313,421	$344,090
12	264,459	$0.206	$0.229	$0.095	$29,255	$35,512	$342,676	$379,602
13	263,136	$0.207	$0.233	$0.095	$29,379	$36,239	$372,055	$415,841
14	261,821	$0.208	$0.236	$0.095	$29,503	$36,972	$401,558	$452,814
15	260,512	$0.209	$0.240	$0.095	$29,626	$37,710	$431,184	$490,524
16	259,209	$0.210	$0.243	$0.095	$29,748	$38,454	$460,933	$528,978
17	257,913	$0.211	$0.247	$0.095	$29,870	$39,203	$490,803	$568,181
18	256,624	$0.212	$0.251	$0.095	$29,991	$39,958	$520,794	$608,139
19	255,340	$0.213	$0.254	$0.095	$30,112	$40,718	$550,905	$648,858
20	254,064	$0.214	$0.258	$0.095	$30,232	$41,485	$581,137	$690,342
21	252,793	$0.215	$0.262	$0.095	$30,351	$42,257	$611,488	$732,599
22	251,529	$0.216	$0.266	$0.095	$30,470	$43,034	$641,958	$775,633
23	250,272	$0.217	$0.270	$0.095	$30,588	$43,818	$672,546	$819,452
24	249,020	$0.218	$0.274	$0.095	$30,705	$44,608	$703,251	$864,059
25	247,775	$0.219	$0.278	$0.095	$30,822	$45,404	$734,073	$909,463
20 Year Total	**5,331,320**				**$581,137**	**$690,342**		

High and low savings estimates based on a Utility rate annual increase of 0.5% and 1.5% over the next 20 years

System Size (kW, dc)	260
Output Yield (kWh/kW)	1,228
Current Utility NMC Value ($/kWh)	$0.1946
Annual Utility Rate Escalator - Low Case (0.5%)	0.5%
Annual Utility Rate Escalator - High Case (1.5%)	1.5%
Annual Output Degradation	0.50%
Year 1 NMC Purchase Rate ($/kWh)	$0.0950
Annual NMC Purchase Rate Escalator	0.0%

Operating Year	Annual System Output (kWh)	Utility NMC Value Low ($/kWh)	Utility NMC Value High ($/kWh)	Solar NMC Purchase Rate ($/kWh)	Total Estimated Savings Low ($)	Total Estimated Savings High ($)	Cumulative Savings Low	Cumulative Savings High
1	319,280	$0.195	$0.195	$0.095	$31,815	$31,815	$31,815	$31,815
2	317,684	$0.196	$0.198	$0.095	$31,965	$32,583	$63,779	$64,398
3	316,095	$0.197	$0.201	$0.095	$32,114	$33,357	$95,894	$97,755
4	314,515	$0.198	$0.204	$0.095	$32,263	$34,136	$128,156	$131,891
5	312,942	$0.199	$0.207	$0.095	$32,411	$34,921	$160,567	$166,812
6	311,377	$0.200	$0.210	$0.095	$32,558	$35,711	$193,124	$202,523
7	309,821	$0.201	$0.213	$0.095	$32,704	$36,507	$225,828	$239,030
8	308,271	$0.202	$0.216	$0.095	$32,850	$37,309	$258,678	$276,339
9	306,730	$0.203	$0.219	$0.095	$32,994	$38,116	$291,672	$314,455
10	305,196	$0.204	$0.223	$0.095	$33,139	$38,929	$324,811	$353,385
11	303,670	$0.205	$0.226	$0.095	$33,282	$39,748	$358,093	$393,133
12	302,152	$0.206	$0.229	$0.095	$33,425	$40,574	$391,518	$433,707
13	300,641	$0.207	$0.233	$0.095	$33,567	$41,405	$425,084	$475,111
14	299,138	$0.208	$0.236	$0.095	$33,708	$42,242	$458,792	$517,353
15	297,642	$0.209	$0.240	$0.095	$33,848	$43,085	$492,641	$560,438
16	296,154	$0.210	$0.243	$0.095	$33,988	$43,935	$526,629	$604,373
17	294,673	$0.211	$0.247	$0.095	$34,127	$44,791	$560,757	$649,164
18	293,200	$0.212	$0.251	$0.095	$34,266	$45,653	$595,022	$694,817
19	291,734	$0.213	$0.254	$0.095	$34,404	$46,522	$629,426	$741,339
20	290,275	$0.214	$0.258	$0.095	$34,541	$47,397	$663,967	$788,737
21	288,824	$0.215	$0.262	$0.095	$34,677	$48,279	$698,644	$837,016
22	287,380	$0.216	$0.266	$0.095	$34,813	$49,168	$733,456	$886,184
23	285,943	$0.217	$0.270	$0.095	$34,947	$50,064	$768,404	$936,248
24	284,513	$0.218	$0.274	$0.095	$35,082	$50,966	$803,485	$987,214
25	283,091	$0.219	$0.278	$0.095	$35,215	$51,875	$838,701	$1,039,089
20 Year Total	**6,091,193**				**$663,967**	**$788,737**		

High and low savings estimates based on a Utility rate annual increase of 0.5% and 1.5% over the next 20 years

System Size (kW, dc)	72
Output Yield (kWh/kW)	1,276
Current Utility NMC Value ($/kWh)	$0.1946
Annual Utility Rate Escalator - Low Case (0.5%)	0.5%
Annual Utility Rate Escalator - High Case (1.5%)	1.5%
Annual Output Degradation	0.50%
Year 1 NMC Purchase Rate ($/kWh)	$0.0950
Annual NMC Purchase Rate Escalator	0.0%

Operating Year	Annual System Output (kWh)	Utility NMC Value Low ($/kWh)	Utility NMC Value High ($/kWh)	Solar NMC Purchase Rate ($/kWh)	Total Estimated Savings Low ($)	Total Estimated Savings High ($)	Cumulative Savings Low	Cumulative Savings High
1	91,872	$0.195	$0.195	$0.095	$9,155	$9,155	$9,155	$9,155
2	91,413	$0.196	$0.198	$0.095	$9,198	$9,376	$18,352	$18,530
3	90,956	$0.197	$0.201	$0.095	$9,241	$9,598	$27,593	$28,129
4	90,501	$0.198	$0.204	$0.095	$9,284	$9,823	$36,877	$37,951
5	90,048	$0.199	$0.207	$0.095	$9,326	$10,048	$46,203	$48,000
6	89,598	$0.200	$0.210	$0.095	$9,368	$10,276	$55,571	$58,275
7	89,150	$0.201	$0.213	$0.095	$9,410	$10,505	$64,982	$68,780
8	88,704	$0.202	$0.216	$0.095	$9,452	$10,736	$74,434	$79,516
9	88,261	$0.203	$0.219	$0.095	$9,494	$10,968	$83,928	$90,484
10	87,819	$0.204	$0.223	$0.095	$9,536	$11,202	$93,464	$101,685
11	87,380	$0.205	$0.226	$0.095	$9,577	$11,438	$103,040	$113,123
12	86,943	$0.206	$0.229	$0.095	$9,618	$11,675	$112,658	$124,798
13	86,509	$0.207	$0.233	$0.095	$9,659	$11,914	$122,317	$136,712
14	86,076	$0.208	$0.236	$0.095	$9,699	$12,155	$132,016	$148,867
15	85,646	$0.209	$0.240	$0.095	$9,740	$12,398	$141,756	$161,265
16	85,218	$0.210	$0.243	$0.095	$9,780	$12,642	$151,536	$173,907
17	84,792	$0.211	$0.247	$0.095	$9,820	$12,888	$161,356	$186,795
18	84,368	$0.212	$0.251	$0.095	$9,860	$13,137	$171,216	$199,932
19	83,946	$0.213	$0.254	$0.095	$9,900	$13,387	$181,116	$213,319
20	83,526	$0.214	$0.258	$0.095	$9,939	$13,638	$191,055	$226,957
21	83,108	$0.215	$0.262	$0.095	$9,978	$13,892	$201,033	$240,849
22	82,693	$0.216	$0.266	$0.095	$10,017	$14,148	$211,050	$254,997
23	82,279	$0.217	$0.270	$0.095	$10,056	$14,406	$221,106	$269,403
24	81,868	$0.218	$0.274	$0.095	$10,095	$14,665	$231,201	$284,068
25	81,459	$0.219	$0.278	$0.095	$10,133	$14,927	$241,334	$298,995
20 Year Total	**1,752,725**				**$191,055**	**$226,957**		

High and low savings estimates based on a Utility rate annual increase of 0.5% and 1.5% over the next 20 years

System Size (kW, dc)	66
Output Yield (kWh/kW)	1,244
Current Utility NMC Value ($/kWh)	$0.1946
Annual Utility Rate Escalator - Low Case (0.5%)	0.5%
Annual Utility Rate Escalator - High Case (1.5%)	1.5%
Annual Output Degradation	0.50%
Year 1 NMC Purchase Rate ($/kWh)	$0.1450
Annual NMC Purchase Rate Escalator	0.0%

Operating Year	Annual System Output (kWh)	Utility NMC Value Low ($/kWh)	Utility NMC Value High ($/kWh)	Solar NMC Purchase Rate ($/kWh)	Total Estimated Savings Low ($)	Total Estimated Savings High ($)	Cumulative Savings Low	Cumulative Savings High
1	82,104	$0.195	$0.195	$0.145	$4,076	$4,076	$4,076	$4,076
2	81,693	$0.196	$0.198	$0.145	$4,135	$4,294	$8,211	$8,370
3	81,285	$0.197	$0.201	$0.145	$4,194	$4,514	$12,405	$12,884
4	80,879	$0.198	$0.204	$0.145	$4,253	$4,734	$16,658	$17,618
5	80,474	$0.199	$0.207	$0.145	$4,311	$4,956	$20,969	$22,574
6	80,072	$0.200	$0.210	$0.145	$4,369	$5,180	$25,337	$27,754
7	79,671	$0.201	$0.213	$0.145	$4,426	$5,404	$29,764	$33,159
8	79,273	$0.202	$0.216	$0.145	$4,484	$5,630	$34,247	$38,789
9	78,877	$0.203	$0.219	$0.145	$4,541	$5,858	$38,788	$44,647
10	78,482	$0.204	$0.223	$0.145	$4,598	$6,087	$43,386	$50,734
11	78,090	$0.205	$0.226	$0.145	$4,654	$6,317	$48,040	$57,051
12	77,699	$0.206	$0.229	$0.145	$4,710	$6,549	$52,750	$63,599
13	77,311	$0.207	$0.233	$0.145	$4,766	$6,782	$57,516	$70,381
14	76,924	$0.208	$0.236	$0.145	$4,822	$7,016	$62,338	$77,397
15	76,540	$0.209	$0.240	$0.145	$4,877	$7,253	$67,216	$84,650
16	76,157	$0.210	$0.243	$0.145	$4,932	$7,490	$72,148	$92,140
17	75,776	$0.211	$0.247	$0.145	$4,987	$7,729	$77,135	$99,869
18	75,397	$0.212	$0.251	$0.145	$5,042	$7,970	$82,177	$107,839
19	75,020	$0.213	$0.254	$0.145	$5,096	$8,212	$87,273	$116,052
20	74,645	$0.214	$0.258	$0.145	$5,150	$8,456	$92,423	$124,508
21	74,272	$0.215	$0.262	$0.145	$5,204	$8,702	$97,626	$133,210
22	73,901	$0.216	$0.266	$0.145	$5,257	$8,949	$102,884	$142,158
23	73,531	$0.217	$0.270	$0.145	$5,310	$9,197	$108,194	$151,356
24	73,164	$0.218	$0.274	$0.145	$5,363	$9,448	$113,557	$160,804
25	72,798	$0.219	$0.278	$0.145	$5,416	$9,700	$118,973	$170,504
20 Year Total	**1,566,372**				**$92,423**	**$124,508**		

High and low savings estimates based on a Utility rate annual increase of 0.5% and 1.5% over the next 20 years

System Size (kW, dc)	34
Output Yield (kWh/kW)	1,228
Current Utility NMC Value ($/kWh)	$0.1946
Annual Utility Rate Escalator - Low Case (0.5%)	0.5%
Annual Utility Rate Escalator - High Case (1.5%)	1.5%
Annual Output Degradation	0.50%
Year 1 NMC Purchase Rate ($/kWh)	$0.1450
Annual NMC Purchase Rate Escalator	0.0%

Operating Year	Annual System Output (kWh)	Utility NMC Value Low ($/kWh)	Utility NMC Value High ($/kWh)	Solar NMC Purchase Rate ($/kWh)	Total Estimated Savings Low ($)	Total Estimated Savings High ($)	Cumulative Savings Low	Cumulative Savings High
1	41,752	$0.195	$0.195	$0.145	$2,073	$2,073	$2,073	$2,073
2	41,543	$0.196	$0.198	$0.145	$2,103	$2,184	$4,176	$4,256
3	41,336	$0.197	$0.201	$0.145	$2,133	$2,295	$6,308	$6,552
4	41,129	$0.198	$0.204	$0.145	$2,163	$2,408	$8,471	$8,959
5	40,923	$0.199	$0.207	$0.145	$2,192	$2,520	$10,663	$11,480
6	40,719	$0.200	$0.210	$0.145	$2,222	$2,634	$12,885	$14,114
7	40,515	$0.201	$0.213	$0.145	$2,251	$2,748	$15,136	$16,862
8	40,312	$0.202	$0.216	$0.145	$2,280	$2,863	$17,416	$19,725
9	40,111	$0.203	$0.219	$0.145	$2,309	$2,979	$19,725	$22,704
10	39,910	$0.204	$0.223	$0.145	$2,338	$3,095	$22,063	$25,799
11	39,711	$0.205	$0.226	$0.145	$2,367	$3,212	$24,430	$29,012
12	39,512	$0.206	$0.229	$0.145	$2,395	$3,330	$26,825	$32,342
13	39,315	$0.207	$0.233	$0.145	$2,424	$3,449	$29,249	$35,791
14	39,118	$0.208	$0.236	$0.145	$2,452	$3,568	$31,701	$39,359
15	38,922	$0.209	$0.240	$0.145	$2,480	$3,688	$34,181	$43,047
16	38,728	$0.210	$0.243	$0.145	$2,508	$3,809	$36,689	$46,856
17	38,534	$0.211	$0.247	$0.145	$2,536	$3,931	$39,225	$50,786
18	38,342	$0.212	$0.251	$0.145	$2,564	$4,053	$41,789	$54,839
19	38,150	$0.213	$0.254	$0.145	$2,591	$4,176	$44,380	$59,015
20	37,959	$0.214	$0.258	$0.145	$2,619	$4,300	$46,999	$63,315
21	37,769	$0.215	$0.262	$0.145	$2,646	$4,425	$49,646	$67,740
22	37,580	$0.216	$0.266	$0.145	$2,673	$4,551	$52,319	$72,291
23	37,393	$0.217	$0.270	$0.145	$2,700	$4,677	$55,019	$76,968
24	37,206	$0.218	$0.274	$0.145	$2,727	$4,804	$57,747	$81,773
25	37,020	$0.219	$0.278	$0.145	$2,754	$4,933	$60,501	$86,705
20 Year Total	**796,541**				**$46,999**	**$63,315**		

High and low savings estimates based on a Utility rate annual increase of 0.5% and 1.5% over the next 20 years

System Size (kW, dc)	10
Output Yield (kWh/kW)	1,245
Current Utility NMC Value ($/kWh)	$0.1946
Annual Utility Rate Escalator - Low Case (0.5%)	0.5%
Annual Utility Rate Escalator - High Case (1.5%)	1.5%
Annual Output Degradation	0.50%
Year 1 NMC Purchase Rate ($/kWh)	$0.1700
Annual NMC Purchase Rate Escalator	0.0%

Operating Year	Annual System Output (kWh)	Utility NMC Value Low ($/kWh)	Utility NMC Value High ($/kWh)	Solar NMC Purchase Rate ($/kWh)	Total Estimated Savings Low ($)	Total Estimated Savings High ($)	Cumulative Savings Low	Cumulative Savings High
1	12,450	$0.195	$0.195	$0.170	$307	$307	$307	$307
2	12,388	$0.196	$0.198	$0.170	$317	$341	$624	$648
3	12,326	$0.197	$0.201	$0.170	$328	$376	$952	$1,025
4	12,264	$0.198	$0.204	$0.170	$338	$411	$1,290	$1,436
5	12,203	$0.199	$0.207	$0.170	$349	$446	$1,639	$1,882
6	12,142	$0.200	$0.210	$0.170	$359	$482	$1,998	$2,364
7	12,081	$0.201	$0.213	$0.170	$369	$517	$2,367	$2,882
8	12,021	$0.202	$0.216	$0.170	$379	$553	$2,746	$3,435
9	11,961	$0.203	$0.219	$0.170	$390	$589	$3,136	$4,024
10	11,901	$0.204	$0.223	$0.170	$400	$625	$3,535	$4,650
11	11,841	$0.205	$0.226	$0.170	$410	$662	$3,945	$5,312
12	11,782	$0.206	$0.229	$0.170	$420	$698	$4,365	$6,010
13	11,723	$0.207	$0.233	$0.170	$430	$735	$4,795	$6,745
14	11,665	$0.208	$0.236	$0.170	$440	$772	$5,234	$7,518
15	11,606	$0.209	$0.240	$0.170	$449	$810	$5,684	$8,327
16	11,548	$0.210	$0.243	$0.170	$459	$847	$6,143	$9,174
17	11,490	$0.211	$0.247	$0.170	$469	$885	$6,612	$10,059
18	11,433	$0.212	$0.251	$0.170	$479	$923	$7,090	$10,982
19	11,376	$0.213	$0.254	$0.170	$488	$961	$7,579	$11,943
20	11,319	$0.214	$0.258	$0.170	$498	$999	$8,077	$12,942
21	11,262	$0.215	$0.262	$0.170	$508	$1,038	$8,584	$13,980
22	11,206	$0.216	$0.266	$0.170	$517	$1,077	$9,101	$15,057
23	11,150	$0.217	$0.270	$0.170	$526	$1,116	$9,628	$16,173
24	11,094	$0.218	$0.274	$0.170	$536	$1,155	$10,164	$17,328
25	11,039	$0.219	$0.278	$0.170	$545	$1,195	$10,709	$18,523
20 Year Total	**237,520**				**$8,077**	**$12,942**		

High and low savings estimates based on a Utility rate annual increase of 0.5% and 1.5% over the next 20 years

System Size (kW, dc)	12
Output Yield (kWh/kW)	1,245
Current Utility NMC Value ($/kWh)	$0.1946
Annual Utility Rate Escalator - Low Case (0.5%)	0.5%
Annual Utility Rate Escalator - High Case (1.5%)	1.5%
Annual Output Degradation	0.50%
Year 1 NMC Purchase Rate ($/kWh)	$0.1700
Annual NMC Purchase Rate Escalator	0.0%

Operating Year	Annual System Output (kWh)	Utility NMC Value Low ($/kWh)	Utility NMC Value High ($/kWh)	Solar NMC Purchase Rate ($/kWh)	Total Estimated Savings Low ($)	Total Estimated Savings High ($)	Cumulative Savings Low	Cumulative Savings High
1	14,940	$0.195	$0.195	$0.170	$368	$368	$368	$368
2	14,865	$0.196	$0.198	$0.170	$381	$410	$749	$778
3	14,791	$0.197	$0.201	$0.170	$393	$452	$1,142	$1,229
4	14,717	$0.198	$0.204	$0.170	$406	$494	$1,548	$1,723
5	14,643	$0.199	$0.207	$0.170	$418	$536	$1,967	$2,259
6	14,570	$0.200	$0.210	$0.170	$431	$578	$2,397	$2,837
7	14,497	$0.201	$0.213	$0.170	$443	$621	$2,840	$3,458
8	14,425	$0.202	$0.216	$0.170	$455	$664	$3,296	$4,122
9	14,353	$0.203	$0.219	$0.170	$467	$707	$3,763	$4,829
10	14,281	$0.204	$0.223	$0.170	$480	$751	$4,243	$5,580
11	14,210	$0.205	$0.226	$0.170	$492	$794	$4,734	$6,374
12	14,139	$0.206	$0.229	$0.170	$504	$838	$5,238	$7,212
13	14,068	$0.207	$0.233	$0.170	$516	$882	$5,753	$8,094
14	13,998	$0.208	$0.236	$0.170	$527	$927	$6,281	$9,021
15	13,928	$0.209	$0.240	$0.170	$539	$972	$6,820	$9,993
16	13,858	$0.210	$0.243	$0.170	$551	$1,016	$7,371	$11,009
17	13,789	$0.211	$0.247	$0.170	$563	$1,062	$7,934	$12,071
18	13,720	$0.212	$0.251	$0.170	$574	$1,107	$8,509	$13,178
19	13,651	$0.213	$0.254	$0.170	$586	$1,153	$9,095	$14,331
20	13,583	$0.214	$0.258	$0.170	$598	$1,199	$9,692	$15,530
21	13,515	$0.215	$0.262	$0.170	$609	$1,246	$10,301	$16,776
22	13,447	$0.216	$0.266	$0.170	$620	$1,292	$10,921	$18,068
23	13,380	$0.217	$0.270	$0.170	$632	$1,339	$11,553	$19,407
24	13,313	$0.218	$0.274	$0.170	$643	$1,386	$12,196	$20,794
25	13,247	$0.219	$0.278	$0.170	$654	$1,434	$12,851	$22,227
20 Year Total	**285,024**				**$9,692**	**$15,530**		

BLUE WAVE CAPITAL

APPENDIX 2 – Site Layouts

Brookline Transfer Station



Array	Array Dimension	Panel Configuration	# of Panels	Est. KWp DC	# of Piers
A1	90.1' X 416.3'	14 X 128	1792	555.52	30
A2	103' X 484.6'	16 X 149	2384	739.04	34
2			4,176	1,294.56	64

Brookline High School

BLUEWAVE PHOTOVOLTAIC SYSTEM

BROOKLINE 115 GREENOUGH ST



1 P1 PROPOSED ROOFTOP PV ARRAY 230 kWDC ; 180 kWAC



4 P1 SITE LOCATION



3 P1 ROOFTOP PV ARRAY

MODULES	701 (330 W)
FIXED TILT ANGLE ; ROW SPACING	10° ; 3'
TRUE AZIMUTH	224°
SYSTEM SIZE DC	230 kWDC
SYSTEM SIZE AC	180 kWAC
ANNUAL ENERGY OUTPUT	279,803 kWh

2 P1 TECHNICAL ANALYSIS

BLUEWAVE CAPITAL, LLC
137 NEWBURY STREET
BOSTON, MA 02116
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REV | DRN | DATE | COMMENTS

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PROJECT: BROOKLINE 115 GREENOUGH ST
115 GREENOUGH STREET
BROOKLINE, MA 02445

SHEET TITLE: PRELIMINARY SITE PLAN

DRAWN BY: TH | PRINT DATE: 10/28/15

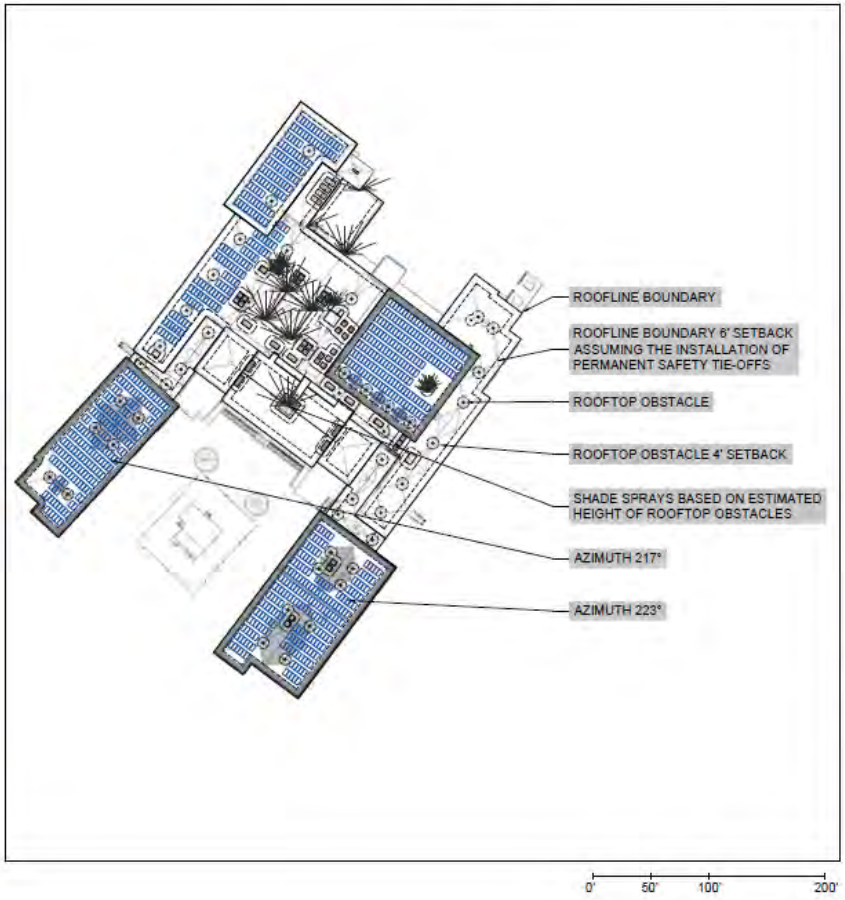
SHEET NAME: PV_P1

1 OF 1

Devotion School

BLUEWAVE PHOTOVOLTAIC SYSTEM

BROOKLINE 345 HARVARD ST



1 P1 PROPOSED ROOFTOP PV ARRAY 260 kWDC ; 200 kWAC



4 P1 SITE LOCATION



3 P1 ROOFTOP PV ARRAY

MODULES	790 (330 W)
FIXED TILT ANGLE ; ROW SPACING	10° ; 3'
TRUE AZIMUTH	SEE DRAWING
SYSTEM SIZE DC	260 kWDC
SYSTEM SIZE AC	200 kWAC
ANNUAL ENERGY OUTPUT	317,658 kWh

2 P1 TECHNICAL ANALYSIS

BLUEWAVE CAPITAL, LLC
137 NEWBURY STREET
BOSTON, MA 02116
(617) 209-3122
www.bluewave-capital.com

REV | DRN | DATE | COMMENTS

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PROJECT: BROOKLINE 345 HARVARD ST
345 HARVARD ST
BROOKLINE, MA 02446

SHEET TITLE: PRELIMINARY SITE PLAN

DRAWN BY: TH | PRINT DATE: 10/28/15

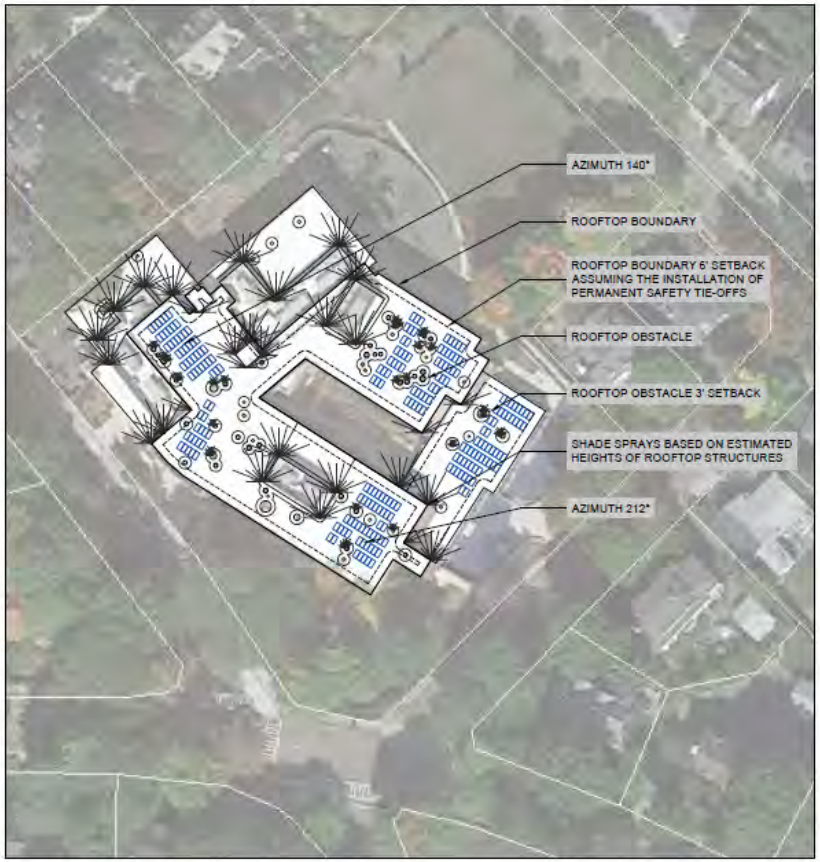
SHEET NAME: PV_P1

1 OF 1

Runkle School

BLUEWAVE PHOTOVOLTAIC SYSTEM

BROOKLINE 50 DRUCE ST



1 P1 PROPOSED ROOFTOP PV ARRAY 72 kWDC ; 55 kWAC



4 P1 SITE LOCATION



3 P1 ROOFTOP PV ARRAY

MODULES	217 (330 W)
FIXED TILT ANGLE ; ROW SPACING	10° ; 3'
TRUE AZIMUTH	VARIES
SYSTEM SIZE DC	72 kWDC
SYSTEM SIZE AC	55 kWAC
ANNUAL ENERGY OUTPUT	86,377 kWh

2 P1 TECHNICAL ANALYSIS

BLUEWAVE CAPITAL, LLC
137 NEWBURY STREET
BOSTON, MA 02116
(617) 209-3122
www.bluewave-capital.com

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PROJECT: BROOKLINE 50 DRUCE ST
50 DRUCE ST
BROOKLINE, MA 02445

SHEET TITLE: PRELIMINARY SITE PLAN

DRAWN BY: TH | PRINT DATE: 10/28/15

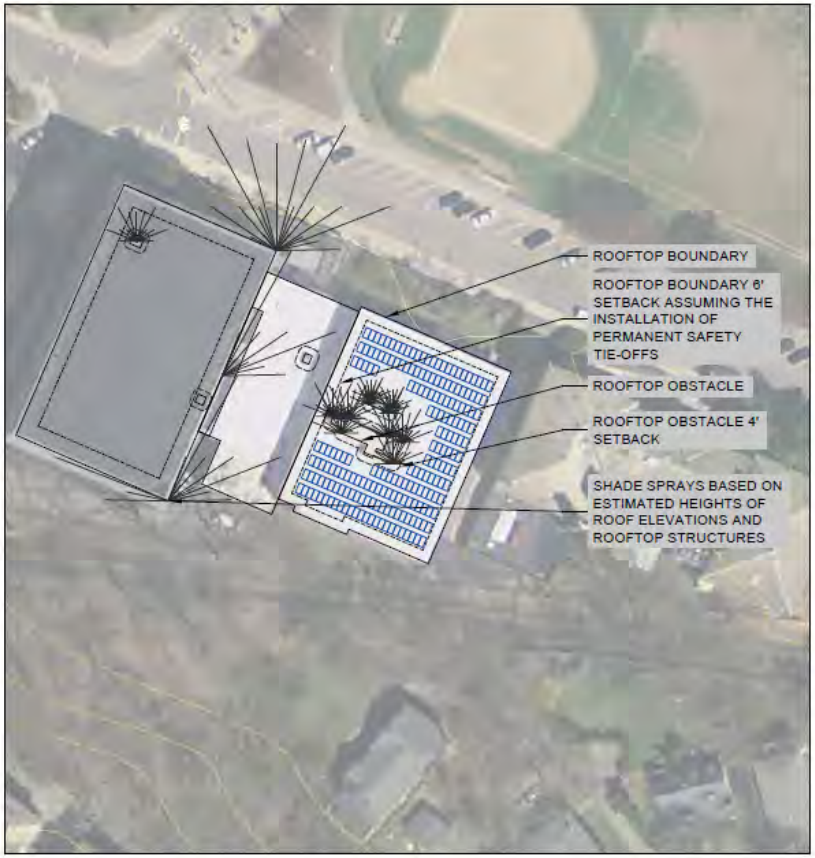
SHEET NAME: PV_P1

1 OF 1

Tappan Street Swimming Pool

BLUEWAVE PHOTOVOLTAIC SYSTEM

BROOKLINE 66 TAPPAN ST



1 P1 PROPOSED ROOFTOP PV ARRAY 66 kWDC ; 51 kWAC



4 P1 SITE LOCATION



3 P1 ROOFTOP PV ARRAY

MODULES	200 (330 W)
FIXED TILT ANGLE ; ROW SPACING	10° ; 3'
TRUE AZIMUTH	203°
SYSTEM SIZE DC	66 kWDC
SYSTEM SIZE AC	51 kWAC
ANNUAL ENERGY OUTPUT	81,611 kWh

2 P1 TECHNICAL ANALYSIS

BLUEWAVE CAPITAL, LLC
137 NEWBURY STREET
BOSTON, MA 02116
(617) 209-3122
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PROJECT: BROOKLINE 66 TAPPAN ST
66 TAPPAN ST.
BROOKLINE, MA 02445

SHEET TITLE: PRELIMINARY SITE PLAN

DRAWN BY: TH | PRINT DATE: 10/28/15

SHEET NAME: PV_P1

1 OF 1

Main Library

BLUEWAVE PHOTOVOLTAIC SYSTEM

BROOKLINE 361 WASHINGTON ST



1 P1 PROPOSED ROOFTOP PV ARRAY 34 kWDC ; 26 kWAC



4 P1 SITE LOCATION



3 P1 ROOFTOP PV ARRAY

MODULES	102 (330 W)
FIXED TILT ANGLE ; ROW SPACING	10° ; 3'
TRUE AZIMUTH	219°
SYSTEM SIZE DC	34 kWDC
SYSTEM SIZE AC	26 kWAC
ANNUAL ENERGY OUTPUT	41,495 kWh

2 P1 TECHNICAL ANALYSIS

BLUEWAVE CAPITAL, LLC
137 NEWBURY STREET
BOSTON, MA 02116
(617) 209-3122
www.bluewave-capital.com

REV | DRN | DATE | COMMENTS

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PROJECT: BROOKLINE 361 WASHINGTON ST
361 WASHINGTON STREET
BROOKLINE, MA 02445

SHEET TITLE: PRELIMINARY SITE PLAN

DRAWN BY: TH | PRINT DATE: 10/28/15

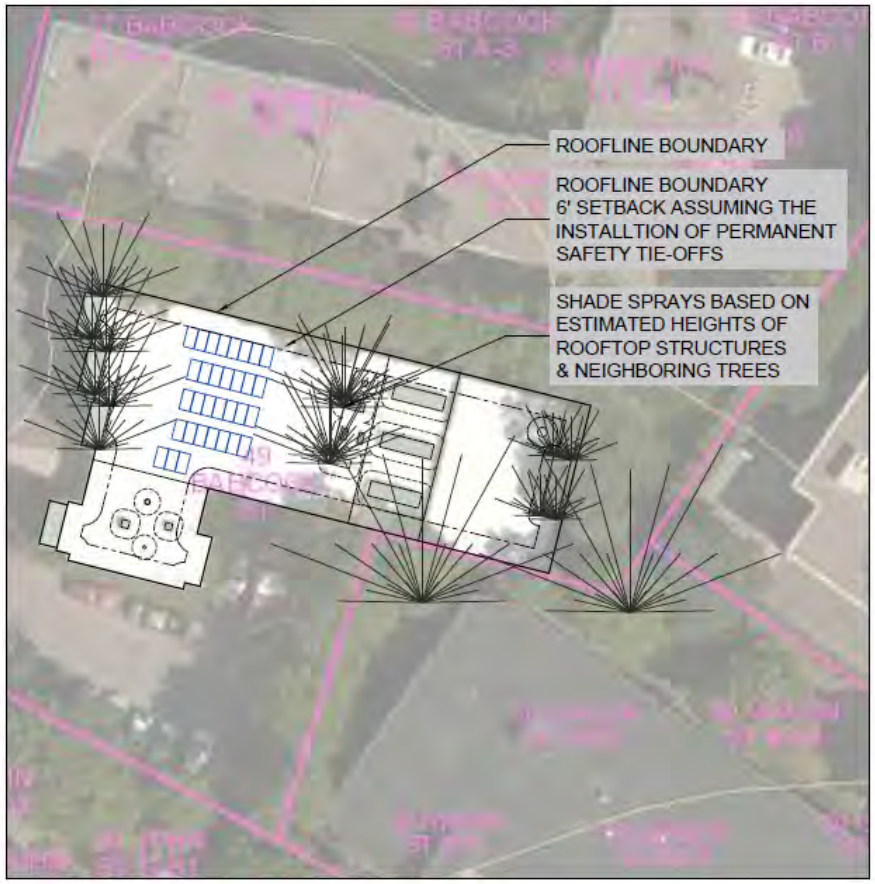
SHEET NAME: PV_P1

1 OF 1

Fire Station #5

BLUEWAVE PHOTOVOLTAIC SYSTEM

BROOKLINE 49 BABCOCK ST



1 P1 PROPOSED ROOFTOP PV ARRAY 10 kWDC ; 8 kWAC



4 P1 SITE LOCATION



3 P1 ROOFTOP PV ARRAY

MODULES	33 (315 W)
FIXED TILT ANGLE ; ROW SPACING	10° ; 3'
TRUE AZIMUTH	187°
SYSTEM SIZE DC	10 kWDC
SYSTEM SIZE AC	8 kWAC
ANNUAL ENERGY OUTPUT	12,451 kWh

2 P1 TECHNICAL ANALYSIS

BLUEWAVE CAPITAL, LLC
137 NEWBURY STREET
BOSTON, MA 02116
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www.bluewave-capital.com

COMMENTS

REV	DRN	DATE

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PROJECT: BROOKLINE 49 BABCOCK ST
49 BABCOCK STREET
BROOKLINE, MA 02446

SHEET TITLE: PRELIMINARY SITE PLAN

DRAWN BY: TH
PRINT DATE: 11/2/15
SHEET NAME: PV_P1

1 OF 1

Soule Recreation Center and Gym

BLUEWAVE PHOTOVOLTAIC SYSTEM

BROOKLINE 652 HAMMOND ST



1 P1 PROPOSED ROOFTOP PV ARRAY 12 kWDC ; 9 kWAC



4 P1 SITE LOCATION



3 P1 ROOFTOP PV

MODULES	36 (330 W)
TRUE AZIMUTH	174°
SYSTEM SIZE DC	12 kWDC
SYSTEM SIZE AC	9 kWAC
ANNUAL ENERGY OUTPUT	12,252 kWh

2 P1 TECHNICAL ANALYSIS

BLUEWAVE CAPITAL, LLC
137 NEWBURY ST.
BOSTON, MA 02109
(617) 209-3122
www.bluewave-capital.com

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PROJECT: BROOKLINE 652 HAMMOND ST
652 HAMMOND ST
BROOKLINE, MA 02467

SHEET TITLE: PRELIMINARY SITE PLAN

DRAWN BY: TH | PRINT DATE: 10/28/15

SHEET NAME: PV_P1

1 OF 1

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Sandra Brown
Director
Tel: 404.695.0555
sbrown@bluewave-capital.com

BLUEWAVE CAPITAL

TOWN OF BROOKLINE
Massachusetts

DEPARTMENT OF PLANNING AND COMMUNITY DEVELOPMENT

ALISON C. STEINFELD
Planning Director

TO Kristen Patenaude, PowerOptions
FROM Maria Morelli, Senior Planner, Climate Action / Land Use
mmorelli@brooklinema.gov | 617-730-2670
DATE August 17, 2018
RE Procurement Program: Possible Municipal Solar Projects

Kristen

As I mentioned in my email, the Town of Brookline is interested in PowerOptions' Solar PV Installations procurement program.

Below is the information you requested about some possible projects. Utility bills will come under separate cover. I look forward to meeting with your team. Let me know what dates work for you. Thanks.

****

Addresses and identification of buildings where you are considering solar IN CHART BELOW

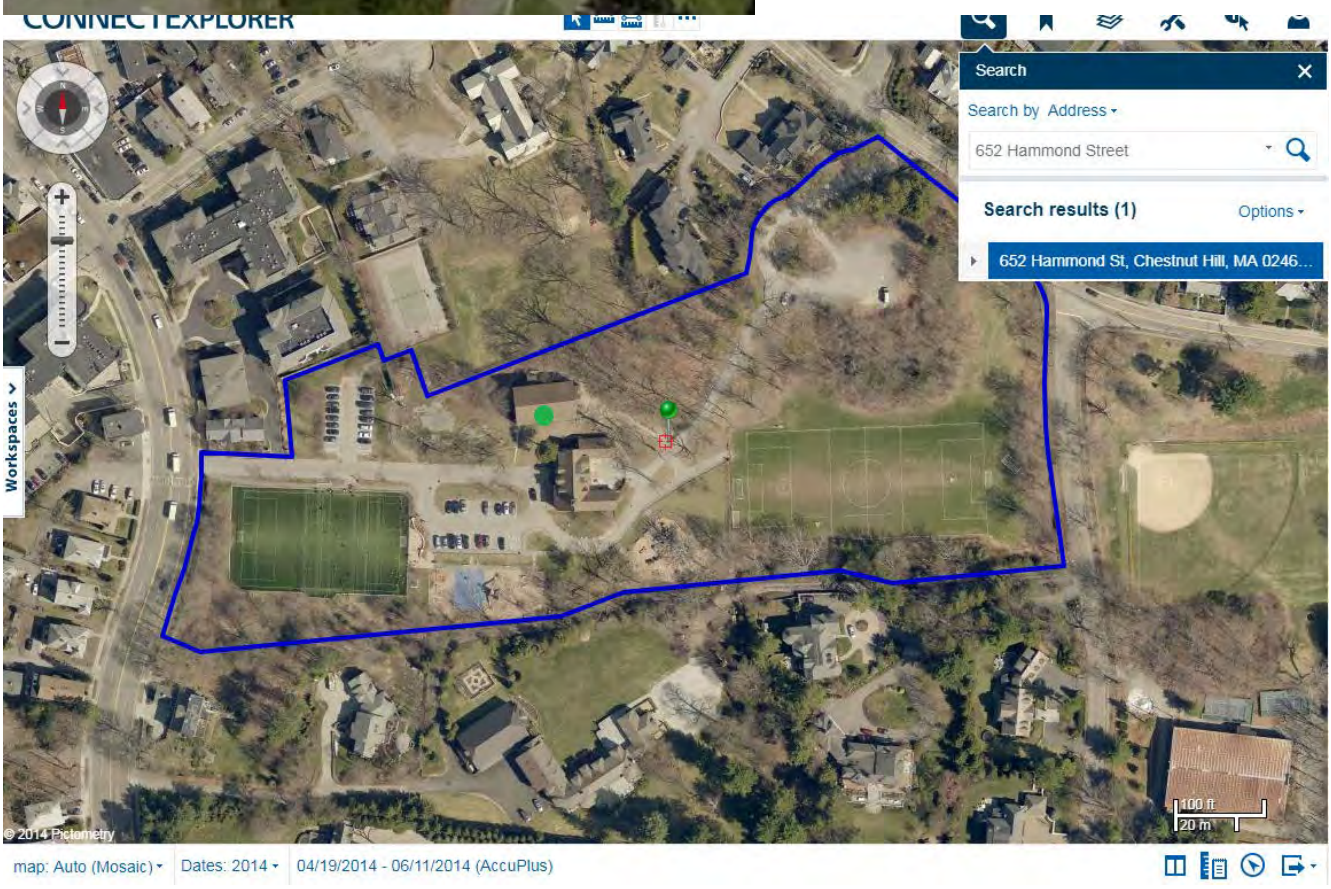
- Age and condition of roofs ACCOMPANIES VISUALS BELOW
- Do you have any interest in battery storage? YES
- Any interest in parking lot canopy or ground mount (your email referenced rooftop solar) – ONE SITE (at a transfer station) BUT LANDFILL CAP PROJECT TAKES PRIORITY
- Copy of recent utility bill for each of the sites you are considering (interval data will be useful to refine the analyses, but we can start with utility bill info for starters) – WILL COME UNDER SEPARATE COVER

Town of Brookline, MA Solar Projects
SOLAR PV CONTRACTS ROOFTOP INSTALLATION - Existing Buildings FAST TRACK
1 - Soule Recreation Center 652 Hammond Street *24 kW facility est.* *Est. Annual Clean Energy Gen.: 40,475 kWh*
2 - Kirrane Pool 60 Tappan Street *48 kW facility est.* *Est. Annual Clean Energy Gen.: 64,956 kWh*
3 - Runkle School 50 Druce Street *89 kW facility est.* *Est. Annual Clean Energy Gen.: 139,410 kWh*
SMART PROGRAM INCENTIVES ANALYSIS - New Construction and Major Renovation (currently at Design Development Stage, target a Zero Energy Building path)
4- Brookline High School New Building (Design Development Stage) 111 Cypress Street Est. Annual Clean Energy Gen.: 150,480 KWH
5 - Brookline High School STEM Addition 115 Greenough Street Est. Annual Clean Energy Gen.: 127,273 KWH
EXPLORE CONTRACTS FOR THESE PROJECTS
GROUND MOUNTED INSTALLATION OR CANOPY
6 - Transfer Station, 815 Newton Street - Barrier? Landfill cap project must be completed first.
ROOFTOP INSTALLATION - Existing Buildings
7 - Brookline High School Main Building 115 Greenough Street
8 - Larz Anderson Park Pavilion 23 Newton Street
9 - Devotion School 345 Harvard Street
10 - Fire Station No. 5 49 Babcock Street

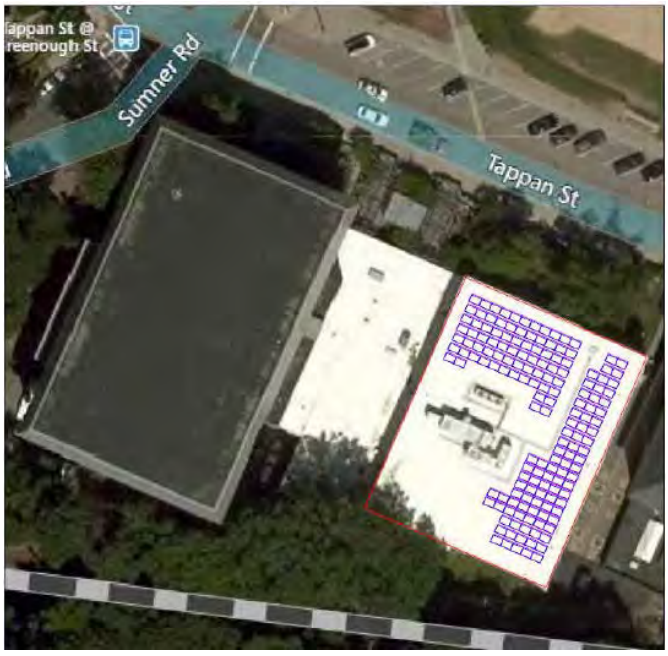
VISUALS (Limited HVAC, no existing trees; flat roof or south facing)

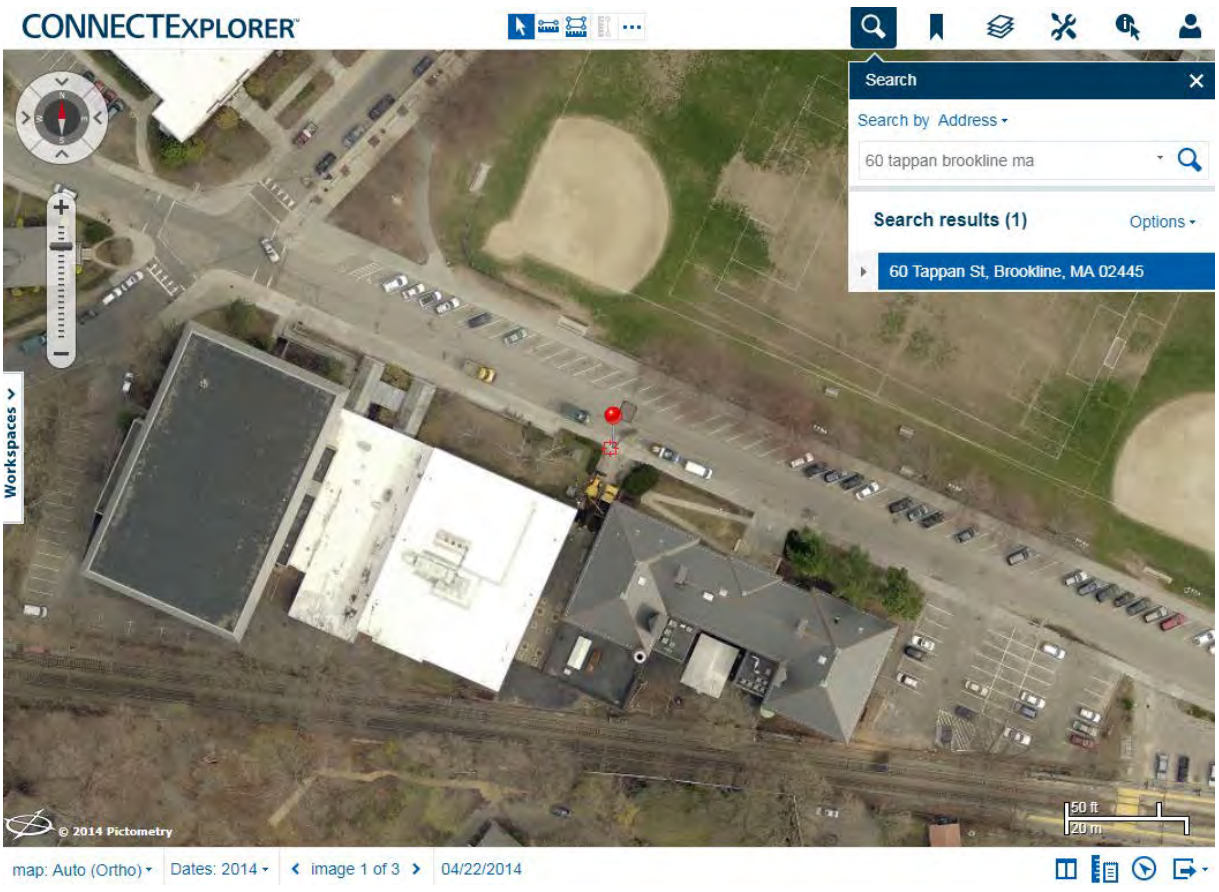
1 - Soule Recreation Center **ROOF: REPLACED IN 2013.**
652 Hammond Street





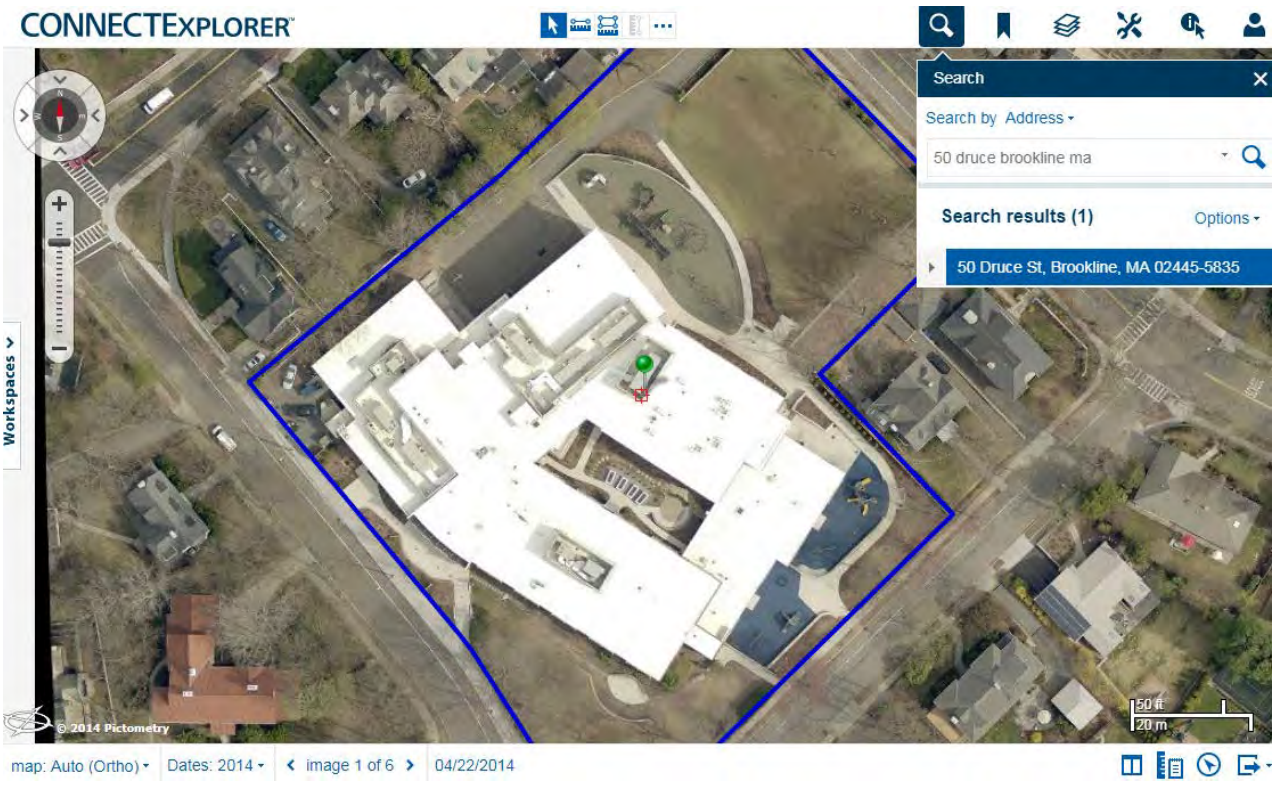
2 - Kirrane Pool **ROOF: REPLACED in 2013 as part of larger renovation project.**
60 Tappan Street





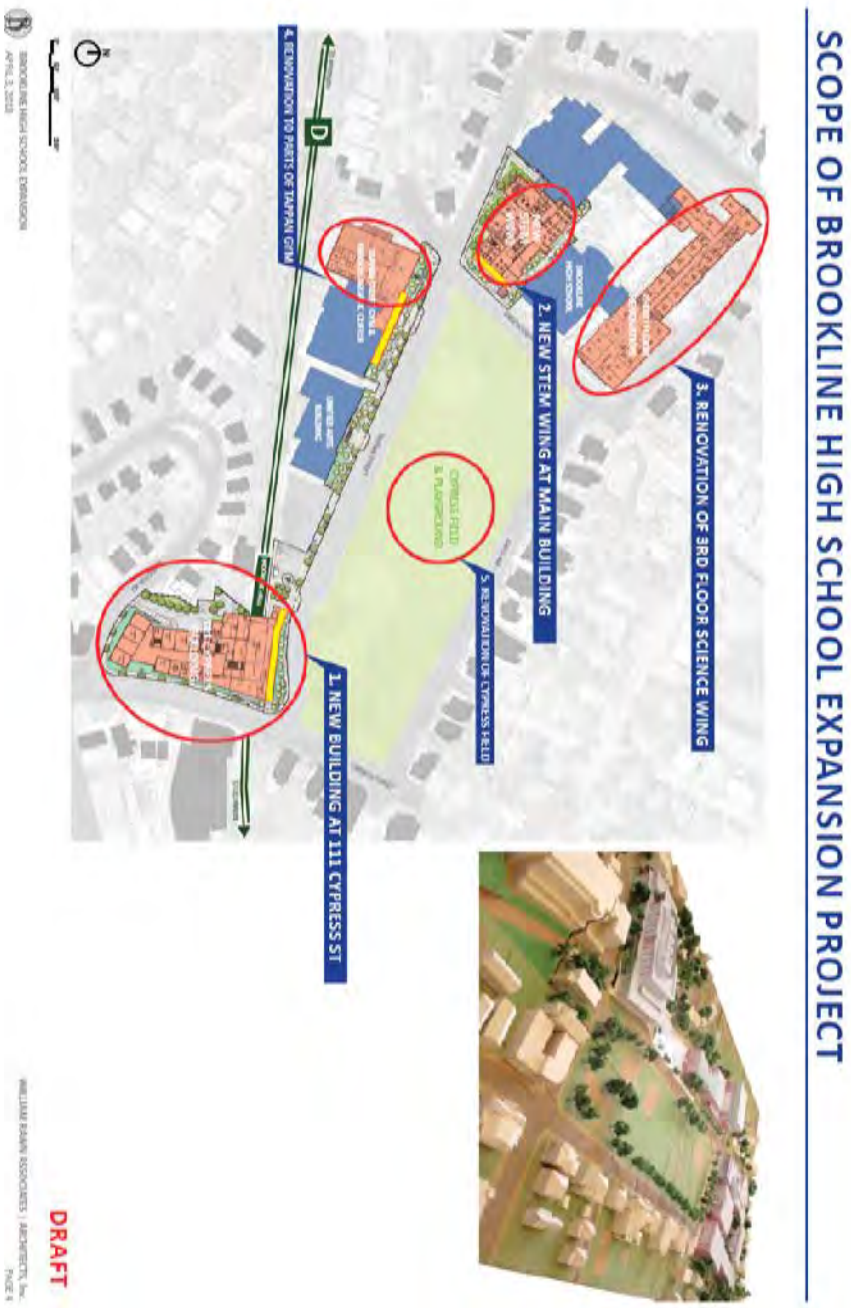
3 - Runkle School **ROOF: INSTALLED in 2014 as part of larger renovation project.**
50 Druce Street





4- Brookline High School Roof: would be new.
New Building (Design Development Stage)
111 Cypress Street

5 - Brookline High School Roof: would be new.
STEM Addition
115 Greenough Street



Explore

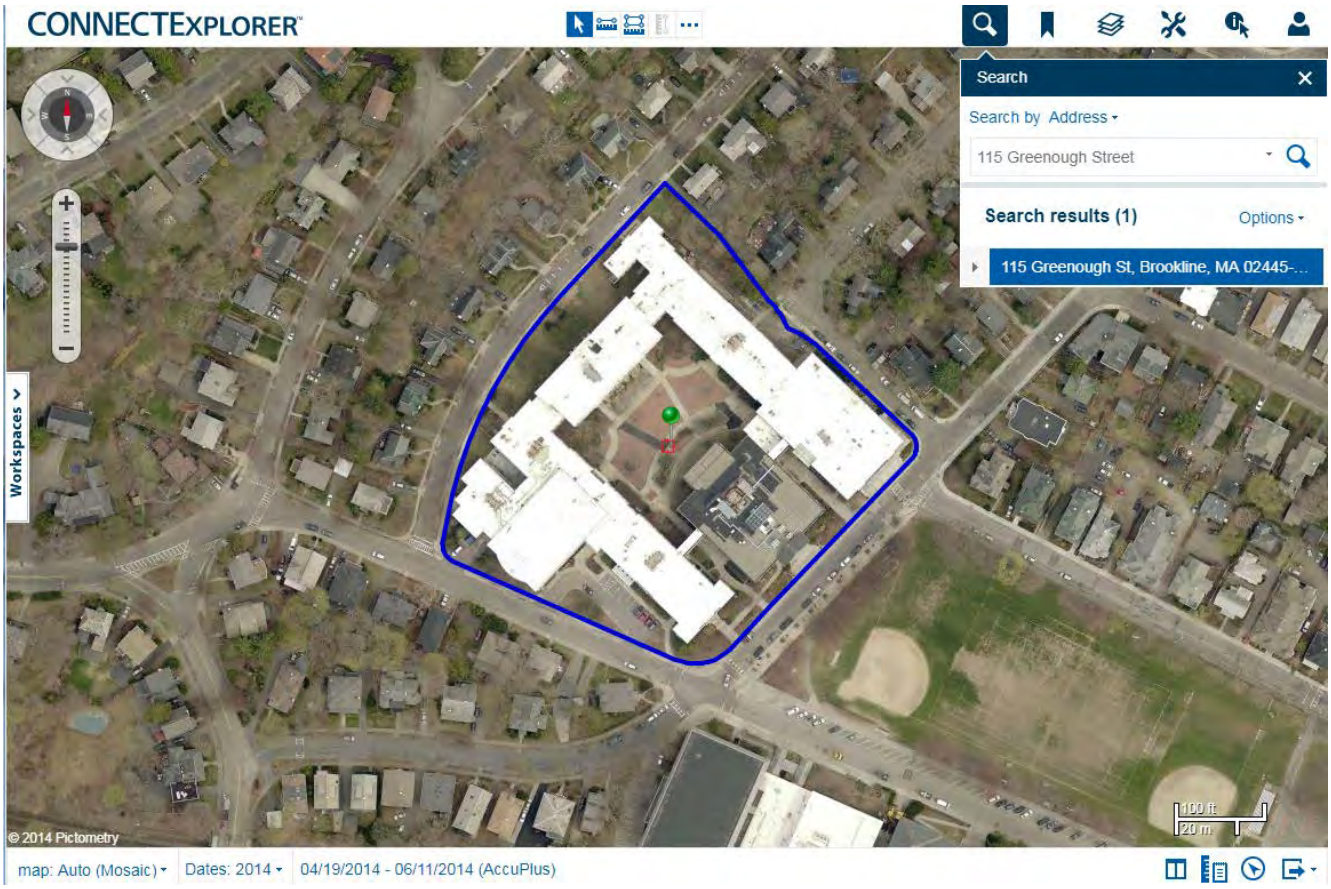
6 - Transfer Station (developed site served by utilities) Would be ground mounted

815 Newton Street

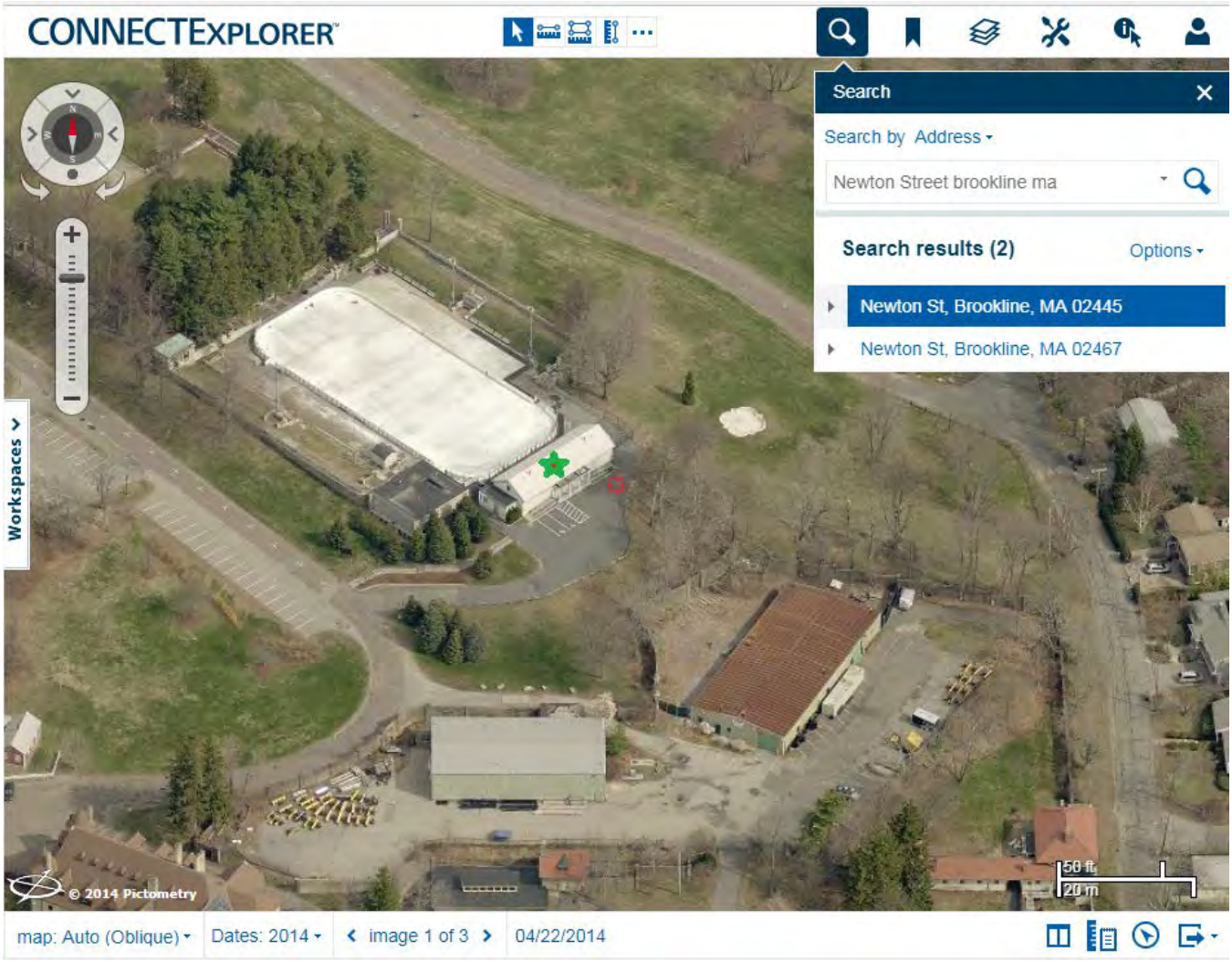



Search
Search by Address
815 Newton Street brookline ma
Search results (1)
Options
815 Newton St, Chestnut Hill, MA 02467-...
workspaces
© 2014 Pictometry
50 ft
20 m

7 - Brookline High School Main Building
115 Greenough Street



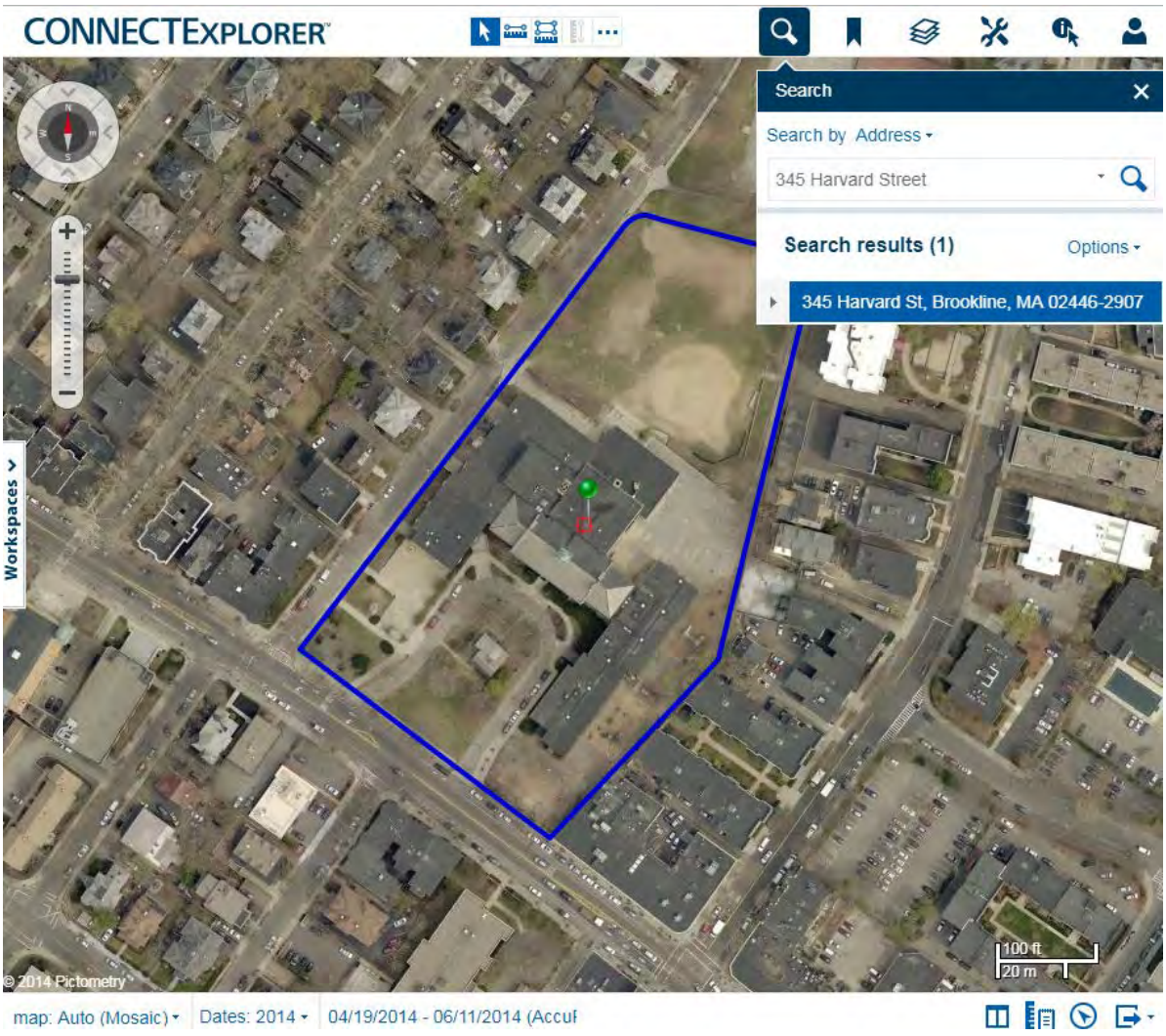
8 - Larz Anderson Park Pavilion
23 Newton Street



9 - Devotion School Construction to be completed in August 2018 (new roof)
345 Harvard Street






CONNECTEXPLORER
Search
Search by Address
345 Harvard Street
Search results (1)
Options
345 Harvard St, Brookline, MA 02446-2907
Workspaces
© 2014 Pictometry
100 ft
20 m
map: Auto (Mosaic)
Dates: 2014
04/19/2014 - 06/11/2014 (Accuf

10 – Fire Station, 49 Babcock Street



Appendix I: Roof Replacements 2025-2031

Preview File Edit View Go Tools Window Help Tue 9:37 PM
FY2026 Brookline Financial Plan Print Version - Web Optimized_20250220172232346.pdf (page 399 of 428) — Edited
Search

In FY12, $250,000 was appropriated for costs associated with a study for repairs to the outside envelope of all Town and School buildings, including a visual inspection of the exterior of all buildings that will help prioritize these repairs. The outside envelope of facilities includes masonry, bricks and mortar, flashing, dental work, coping stones, metal shelves, and tower work. Some of these structures are over 100+ years old and have never had exterior work done to them. A number of buildings have windows, door entrances, and other wall openings (fenestration) that are in need of repair/replacement. Some have wood components (clapboard, window trim) that fail and need replacement or resurfacing (painting, cover with metal) This causes water to penetrate into buildings behind walls and ceilings, causing security and safety problems. This program would include all masonry work and repairs to the building and its equipment resulting from envelope failures, testing, inspections and upgrades or any associated services or components.

A master plan was prepared by a consultant and includes a priority list and schedule and that calls for $35 million over a 30-year period. Added to this plan is the modification of the Old Lincoln retaining wall and support structures. Facilities addressed within this time frame include the following:

2025 PE Bldg
2026 UAB, Main Library, High School
2027 Old Lincoln
2028 Baldwin, Heath, Old Lincoln
2029 Lynch Rec
2030 UAB
2031 Baker, Putterham Library, Main Library, Health and Town Hall

Town/School Bldg Envelope/Fenestration Rep

Proposal Name	FY2025 - Prior Year	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031
Amount							
School - Town/School Bldg Envelope/Fenestration Rep	$0	$675,000	$3,600,000	$4,350,000	$4,600,000	$1,000,000	$775,000
AMOUNT	**$0**	**$675,000**	**$3,600,000**	**$4,350,000**	**$4,600,000**	**$1,000,000**	**$775,000**

Appendix J: Town Properties List Solar Potential - Tiered

Department Groups	Street Address	Stories	System Size (kW)	System Output (kW)	Mounting	Gross Sq. Ft.	Sq footage Slate	Sq Footage Other	Sq Footage Assessed	Notes	Tier	Approx Roof SF	Decarb Assessed Solar	Decarb Planned Year	
Hayes/Heath School	100 Eliot St., Brookline, MA 02467*	2	310	387500	Rooftop	84379		50,700	50,700	whole roof	1	1,200 + 49,500	150	2028	
Baker School	205 Beverly Rd., Brookline, MA 02445*	3	289	361250	Rooftop	120838	13000	49000	49000	whole roof	1	13,000 (slate) + 41,000 + 8,000	150	2028	
Florida Ridley School	345 Harvard St.	4			Rooftop	222087						-			
Driscoll School	725 Washington Street / 64 Westbourne Terrace	4			Rooftop	158330						-			
Brookline High School Expansion	22 Tappan, Brookline, MA 02445*	5	178	222500	Rooftop	118000		36,000	36,000	whole roof		1	36000	120	2045
Lawrence School	27 Francis St., Brookline, MA 02445*	3	144	180000	Rooftop	106420	20,000	6,000	20,000	just slate	1	20,000 (slate) + 6,000		150	2035
Coolidge Corner Branch Library	31 Pleasant St., Brookline, MA 02445	1	105	131250	Rooftop	24634		15,000	15,000	whole roof		2	15000	83	2038
Old Lincoln School	194 Boylston St., Brookline, MA 02445*	3	95	118750	Rooftop	87380	15,000	10,500	15,000	just slate	1	15,000 (slate) + 10,500			
Unified Arts Building	46 Tappan St.	3			Rooftop	43540	15,000	5,200	15,000	just slate	1	15,000 (slate) + 5,200		38	2033
Main Library & Garage	361 Washington St.	2			Rooftop	81910		26,000	13,000	older half	1	13,000 + 13,000		60	2034
Water Department Garage	44 Netherlands Rd., Brookline, MA 02445	2	85	106250	Rooftop	17854		13,000	13,000	whole roof		3	13000		
Runkle School	50 Druce St.	4			Rooftop	107468									
Brookline High School	115 Greenough St.	4			Rooftop	433328									
Town Hall	333 Washington St.	8			Rooftop	111788		13,000	13,000	whole roof		1	13000	15	2038
Physical Education Building	66 Tappan St.	5				80000		29,000				16,500 + 2,00 + 10,500			
Public Safety Bldg	338 & 350 Washington St.	3			Rooftop	67228		15,000	12,000	older half	1	12,000 + 3,000		28	2027
Soule Rec. Center	625 Hammond St.	2			Rooftop	12513		9,200	9,200	whole roof	1	400 + 8,600 + 200			
Baldwin School	490 Heath Street	2			Rooftop	11808	6800	1500	8,300	whole roof	1	6,800 (slate) + 1,500			
Fire Station No. 5	49 Babcock St., Brookline, MA 02445	1	62	77500	Rooftop	10505		7,400	7,400	whole roof		1	7400		
Fire Department Training and Maintenance	962- 1 (B)Hammond St.	1			Rooftop	6676		7,000	7,000	whole roof		1	7000		
Salt Shed	870A Hammond St.	1			Rooftop	3840		6,500	6,500	whole roof		1	6500		
Senior Center	93 Winchester St.	4			Rooftop	21599		6,500	6,500	whole roof		1 5,500 + 500 + 500		20	2027
Putterham Golf Club & Maintenance Building	1281 W. Roxbury Pk.	1			Rooftop	8366		6,200	6,200	whole roof		3	6200		
James J. Lynch Recreation Center	599 Brookline Ave.	3			Rooftop	11952		6,000	6,000	whole roof		1	6000		
Eliot Rec. Center	133 Eliot St.	2			Rooftop	6338		5,300	5,300	whole roof		1 5,100 + 200			
Phone Building	870B Hammond St.	1			Rooftop	1320		5,000	5,000	whole roof		1	5000		
Soule Gym	436 Hammond St. / 650 Hammond St.	1			Rooftop	7218		4,600	4,600	whole roof		3	4600		
Newbury / Cardinal Cushing College	150 Fisher Ave., Brookline, MA 02445	4	102	127500	Rooftop	50429		16,500	4,200	older half		2 4,200 + 12,300			
Walnut Hills Cemetery Maintenance - Workshop & Garage	90 Grove St.	1			Rooftop	3090		3,450	3,450	whole roof		1 1,700 + 1,750			
Larz-DPW-PARKS Shop /Larz Carpenter Shop	15 Newton St.	2			Rooftop	2892		2,600	2,600	whole roof		3	2600		
Larz Anderson Skate Pavillion / Warming Hut	11 Newton St / 23 Newton	1			Rooftop	2130		2,500	2,500	whole roof		1	2500		
Harry Downs Field House (Restrooms)	24 Highland ROAD	1			Rooftop	1584		2,000	2,000	whole roof		3	2000		
Swimming Pool	60 Tappan St.	2				36550		20,050				12,500 + 7,550			
Walnut Hills Cemetery - Caretakers Dwelling	96 Grove St.	3			Rooftop	2653		1,850	1,850	whole roof		1	1850		
Larz Anderson Pavillion	353 Goddard Ave.	1			Rooftop	1701		1,750	1,750	whole roof		1	1750		
L.A. Refrigeration - Shed	27A Newton St.	1			Rooftop	100		1,700	1,700	whole roof		1	1700		
Larz Anderson Toilets	350 Goddard Ave.	1			Rooftop	858		1,600	1,600	whole roof		3	1600		
Washbay Garage	870C Hammond St.	1			Rooftop	1615		1,400					1400		
Waldstein Field House	26 Clinton Path	1			Rooftop	1155		1,300					1300		
Gardener's Shed	554 Hammond St.	1			Rooftop	810		1,200					1200		
Cemetery Vault	92 Grove St.	1			Rooftop	896		1,080					1080		
Fisher Hill Meter (Fisher Hill Reservoir Park)	78-144 Fisher Ave	2			Rooftop	1000		1,050					1050		
Larz-DPW-WATER Shop / Larz Electrician Shop	13 Newton St.	2			Rooftop	1503		800					800		
Fire Station No. 7	665 Washington St.	2			Rooftop	10215	4,300	750				4,300 (slate) + 750			
Fire Department Smoke House	962- 3 Hammond St.	1			Rooftop	2408		660					660		
Amory Field House	15 Amory St.	1			Rooftop	546		435					435		
Walnut Hills Cemetery - Building Office	96A Grove St.	2			Rooftop	760		400					400		
Fisher Hill Comfort Station (Fisher Hill Reservoir Park)	78-144 Fisher Ave	2			Rooftop	1500		400					400		
Fire Department Drill Tower	962- 4 (A) Hammond St.	1			Rooftop	2427		330					330		
Fire Department Ladderhouse	962- 2 Hammond St.	1			Rooftop	1500		260					260		
New Lincoln School	25 Kennard Rd.	3			Rooftop	92227									
Pierce Primary	32 Pierce St.				Rooftop	0									
New Municipal Garage / Municipal Service Center	870 Hammond St.	3				75000									
Pierce School	50 School St.	2			Rooftop	270110									
Fire Station No. 1	140 Washington St., Brookline, MA 02445	3	65	81250	Rooftop	19663						-			
Fire Station No. 4	827 Boylston St.	2			Rooftop	11407						-			
Fire Station No. 6	962 Hammond St., Brookline, MA 02445	2	65	81250	Rooftop	11982						-			
Fire Department Draft Pit	962- 5 Hammond St.	1			Rooftop	1750						-			
Putterham Golf Club - pro shop	1279 W Roxbury Pk.	1			Rooftop	1755	6,400					6,400 (slate)			
Incinerator (Skyline Park) - Soccer - Toilets	809 Newton St	1			Rooftop	368									
Incinerator (Skyline Park) - Soccer - Pavillion	807 Newton St.	1			Rooftop	500									
Park and Forestry - Park Maintenance Building	19 Newton St.	1			Rooftop	5000						Info not available			
Park and Forestry - Park Maintenance Building	25 Newton St.	1			Rooftop	7800						Info not available			
Park and Forestry - Storage	25A Newton St	1			Rooftop	250									
Reservoir Pump House	0 Lee St.	1			Rooftop	132						Info not available (granite slabs)			
Putterham Branch Library	959 W. Roxbury Pk.	1				10104		9,300					9300		
Incinerator House	815 Newton St.	2			Rooftop	35499									
Metering Station	0 Single Tree Rd.	2			Rooftop	408						info not available			
Transfer Station	813 Newton St.	1			Rooftop	7752						info not available			
Wood Hog Building	817 Newton St.	1			Rooftop	3264						info not available			
Brookline Arts Center (Old Firehouse #3)	86 Monmouth St.	2			Rooftop	2722						info not available			
Devotion House	347 Harvard St.	2			Rooftop	3757						info not available			
Health Center	11 pierce St. Brookline, MA 02445	3	24	30000		16014		5,000					5000		
Putterham School	17 Newton St.	1			Rooftop	726						info NA			
Widow Harris House	21 Newton St.	2			Rooftop	2151						info NA			
Sportsmen's Club	1 Warren St.	2			Rooftop	2340						info NA			
West Hall - Mansion / Ellis House	146 Hyslop Rd.	3			Rooftop	8985						info NA			
Museum of Transportation	15 Newton St.	1			Rooftop	38960						info NA			
Town House	9 Newton St.	2			Rooftop	2820						info NA			
Town House	55 Newton St.	3			Rooftop	4880						info NA			
Town House	27 Ackers Ave.	2			Rooftop	1368						info NA			
Town House	29 Avon St.	2			Rooftop	4219						info NA			
Music School	19 Kennard Rd., Brookline, MA 02445	3	123	153750	Rooftop	8128						info NA			
						2747682									
Fuller Street Lot	45 Fuller St, Brookline, MA 02446		143	187762	Canopy	21799.59									
John Street Lot	51 John St, Brookline, MA 02446		39	51223	Canopy	8173.25									
Babcock Street Lot	15-23 Babcock St, Brookline, MA 02446		128	168984	Canopy	26069.4									
Centre Street East Lot	25-39 Centre St, Brookline, MA 02446		357	470446	Canopy	79234.51									
Centre Street West Lot	12-24 Centre St, Brookline, MA 02446		98	129593	Canopy	24857.16									
Courtyard Marriott Lot	40 Webster St				Canopy	5147.78									
School Street Lot	105 School St, Brookline, MA 02446		22	29315	Canopy	6099.73									
Kent & Webster Lot	13 Webster St, Brookline, MA 02446		21	27891	Canopy	19004.74									
Kent & Station Lot	16 Kent St, Brookline, MA 02445		120	158158	Canopy	15441.08									
Beacon Street Median 1806-1856	1806-1856 Beacon St				Canopy	5823.21									
Beacon Street Median 1180-1856	1180-1856 Beacon St				Canopy	5734.76									
Beacon Street Median Hawes-Borland	Between Hawes St and Borland St				Canopy	2271.68									
Beacon Street Median Inbound 1539-1443	Inbound side of Beacon St from 1539-1443				Canopy	18464.88									
Beacon Street Median Carport	1539 Beacon St, Brookline, MA 02446		95	124649											
Station Street Lot	30 Station St, Brookline, MA 02445		63	82978	Canopy	4590.43									
Singletree Reservoir (Solar Site)	Singletree Hill, Brookline				Canopy	120817									
Brookline Reservoir (Water Surface)	Reservoir Park along Boylston Street / Lee Street				Canopy	919116									
BHS - 22 Tappan Lot 1					Canopy	5130									
BHS - 22 Tappan Lot 2					Canopy	2723									
Baker School					Canopy	2919									
Hayes School - Lot 1					Canopy	12466									
Hayes School - Lot 2					Canopy	7945									
BHS					Canopy	12482									
24 Tappan St, Brookline, MA 02445	Brookline Hills MBTA Carport		19	25010	Canopy										
333 Washington St, Brookline, MA 02445	Town Hall Lot Carport		81	106641	Canopy										
205 Beverly Rd., Brookline, MA 02445*	Baker School Carport		70	87500	Canopy										
100 Eliot St., Brookline, MA 02467*	Hayes/Heath School Carport		175	218750											

Age appropriate	Year of Roofs	Roof Concerns identified by Staff, ie RTUs, shading
Yes	2000 + 2015	Some shading, some RTUs
Yes	2005 + 2007	Some RTUs, Some slate
	2017	
	2024	
Yes	2021	Upper roof has RTUs, lower has potential
Maybe	2004 + 2015	Some RTUs, chimneys
Maybe	2018	limited RTU, little shading
Probably	2010	Flat has fans, RTU,
Probably	1993, 2013	Some slate
Probably	2000 + 2014	
No	2014	large skylight, some RTUs, and shading
	2012	
	1998 + 2023 + 2025	
Yes	2008	lots of RTU
	1998, 2021	
Yes	2005 + 2017	RTUs, skylights
Yes	1998 + 2000 +2008	Complicated, dormers and shading
Yes	2003	Some Shading, Some Slate
Probably	2010	Small, but few concerns
Yes	2020	some shading, some RTUs
Unknown		Shading, complic roof lines
Yes	2008	dormers, complicated roof lines
No	2012	are white rectangles skylights?
Yes	2002	Shading, complic roof lines
Yes	1998	Some sections have hipped dormers
Yes	2002	too small
No	2013	none
Maybe	2003 + 2013	RTUs, skylights
Yes	2006 + 2003	
No	2018	
Yes	1998	
No	2018	Some shading
	2003	
Yes	2022	shaded, too small
Yes	2003	shaded
Yes	1993	small with RT Us
No	2010	shaded
	2016	small
	2013	fully shaded
Yes	2003	
	2015	very small
	2018	shaded, small
		Is it slate?, steep pitch
		small
		shaded, too small
Yes	1999	shaded, too small
	2016	very small
		small
		small
Maybe	2007 + 2019	Some slate, Complicated roof lines
	1998	
		limited RTU
		Mostly shaded
	-	Small, but few concerns
		small
	2018	Lots of gables
		Few vent pipes
	2008	
		exhaust fans, age
		very small
	info not available	complicated roof lines, chimneys, etc.
	info not available	small and shaded
	2000	
	info NA	small and shaded
	Info NA	rental, historic, shaded
	info NA	unobstructed but small
	info NA	dormers, RTUs
	info NA	dormers
	info NA	dormers, size
	info NA	chimneys, shaded
	info NA	too small, shaded
	info NA	too small
	info NA	complicated roof lines, dormers, etc.

Appendix: School Model Analysis

Input & Assumptions

Class size targets (validate)		Specialist FTE per section	Avg K-8 teacher salary (DART)	Avg paraprofessional salary (PSB estimate)
K-2nd	22	0.3	$ 120,751.00	$42,000.00
3rd-8th	25			
9th-12th	15 to 25 (?)			

PSB Enrollment Data 2025-2026 (Source: School Committee Presentation)
https://brooklinema.portal.civicclerk.com/event/14107/files/attachment/9414

Schools	K	1	2	3	4	5	6	7	8	9	10	11	12	SP	BEEP	Total	
Baker	58	62	82	77	83	87	74	75	65							663	
Driscoll	43	57	43	69	54	77	56	63	55							517	
Hayes	35	43	44	39	44	44	50	51	57							407	
Lawrence	74	62	66	82	61	80	66	64	69							624	4565
Lincoln	47	57	51	58	46	59	55	43	47							463	
Pierce	60	56	60	59	64	70	71	67	81							588	
Ruffin Ridley	93	100	91	107	98	93	95	82	83							842	
Runkle	43	54	45	52	51	37	61	58	60							461	
BHS										499	535	584	519	10			2147
Early Childhood Sites															237		237
Total	453	491	482	543	501	547	528	503	517	499	535	584	519	10	237		6949 ‡
Early Childhood Sites PS < 3															*16*	*253*	*253*
Out of District																*66*	*66*

Scenario 1: 3 Middle Schools

October 1, 2025 Enrollment (estimated sections/rooms)

Schools	Sections	K	Sections	Class Size	1	Sections	Class Size	2	Sections	Class Size	3	Sections	Class Size	4	Sections	Class Size	5	Sections	Class Size	6	ections (est.	Class Size	7	ections (est.	Class Size	8	ections (est.	Class Size	Sub-Total	2025 Total
Lincoln	26	47	3	15.7	57	3	19.0	51	3	17.0	58	3	19.3	46	3	15.3	59	3	19.7	55	3	18.3	43	2	21.5	47	3	15.7	463	
Baker	34	58	3	19.3	62	4	15.5	82	4	20.5	77	4	19.3	83	4	20.8	87	4	21.8	74	4	18.5	75	4	18.8	65	3	21.7	663	
Runkle	26	43	3	14.3	54	3	18.0	45	3	15.0	52	3	17.3	51	3	17.0	37	2	18.5	61	3	20.3	58	3	19.3	60	3	20.0	461	
Hayes	21	35	2	17.5	43	2	21.5	44	2	22.0	39	2	19.5	44	2	22.0	44	2	22.0	50	3	16.7	51	3	17.0	57	3	19.0	407	4565
Driscoll	28	43	3	14.3	57	3	19.0	43	3	14.3	69	3	23.0	54	3	18.0	77	4	19.3	56	3	18.7	63	3	21.0	55	3	18.3	517	
Lawrence	32	74	4	18.5	62	3	20.7	66	4	16.5	82	4	20.5	61	3	20.3	80	4	20.0	66	3	22.0	64	3	21.3	69	4	17.3	624	
Pierce	32	60	3	20.0	56	3	18.7	60	3	20.0	59	3	19.7	64	4	16.0	70	4	17.5	71	4	17.8	67	4	16.8	81	4	20.3	588	
FRR	42	93	5	18.6	100	5	20.0	91	5	18.2	107	5	21.4	98	5	19.6	93	5	18.6	95	4	23.8	82	4	20.5	83	4	20.8	842	
K-5 Total																													3017	
6-8 Total																													1548	
Total		453	26		491	26		482	27		543	27		501	27		547	28		528	27		503	26		517	27		-	6949
Average class size				17.3			19.0			17.9			20.0			18.6			19.7			19.5			19.5			19.1		19.0

Restructured School Model (using 2025 enrollment data)

Schools	Sections	K	Sections	Class Size	1	Sections	Class Size	2	Sections	Class Size	3	Sections	Class Size	4	Sections	Class Size	5	Sections	Class Size	6	Sections	Class Size	7	Sections	Class Size	8	Sections	Class Size	Sub-Total	2025 Total
Lincoln	19	47	3	15.7	57	3	19	67	3	22.3	69	3	23	63	3	21	80	4	20										383	
Baker (K-5, local middle)	35	58	3	19.3	62	3	20.7	66	3	22	66	3	22	66	3	22	66	3	22	129	6	21.5	118	6	19.7	112	5	22.4	743	
Runkle (K-5)	16	40	2	20.0	66	3	22.0	44	2	22	60	3	20.0	63	3	21.0	68	3	22.7										341	
Hayes (K-5)	13	40	2	20.0	44	2	22.0	44	2	22.0	60	3	20.0	43	2	21.5	45	2	22.5										276	4565
Driscoll (K-5, local middle)	36	41	2	20.5	44	2	22	44	2	22	40	2	20	43	2	21.5	45	2	22.5	167	8	20.9	172	8	21.5	172	8	21.5	768	
Lawrence (K-5)	27	99.5	5	19.9	90	4	22.5	89.5	4	22.375	113.5	5	22.7	88	4	22	104.5	5	20.9										585	
Pierce (K-5)	25	85.5	5	17.1	84	4	21.0	83.5	4	20.9	90.5	4	22.625	91	4	22.75	94.5	4	23.625										529	
FRR (K-5, local middle)	44	42	2	21	44	2	22	44	2	22	44	2	22	44	2	22	44	2	22	232	11	21.1	213	10	21.3	233	11	21.2	940	
K-5 Total																													3017	
6-8 Total																													1548	
Total		453	24		491	23		482	22		543	25		501	23		547	25		528	25		503	24		517	24		-	6949

Sections Reduced		2			3			5			2			4			3			2			2			3				26
Specialists Reduced (.3 specialist/section)		0.6			0.9			1.5			0.6			1.2			0.9			0.6			0.6			0.9				7.8
Total teacher HC reduced		2.6			3.9			6.5			2.6			5.2			3.9			2.6			2.6			3.9				33.8
Paraprofessionals Reduced		2			3			5			2			4			3			2			2			3				26
Average class size		18.9			21.3			21.9			21.7			21.8			21.9			21.1			21.0			21.5				21.2
Potential cost savings																														$4,291,383.80

Scenario 2: Hybrid Model

October 1, 2025 Enrollment (estimated sections/rooms)

Schools	Sections	K	Sections	Class Size	1	Sections	Class Size	2	Sections	Class Size	3	Sections	Class Size	4	Sections	Class Size	5	Sections	Class Size	6	Sections (est.	Class Size	7	Sections (est.	Class Size	8	Sections (est.	Class Size	Sub-Total	2025 Total
Lincoln	26	47	3	15.7	57	3	19.0	51	3	17.0	58	3	19.3	46	3	15.3	59	3	19.7	55	3	18.3	43	2	21.5	47	3	15.7	463	
Baker	34	58	3	19.3	62	4	15.5	82	4	20.5	77	4	19.3	83	4	20.8	87	4	21.8	74	4	18.5	75	4	18.8	65	3	21.7	663	
Runkle	26	43	3	14.3	54	3	18.0	45	3	15.0	52	3	17.3	51	3	17.0	37	2	18.5	61	3	20.3	58	3	19.3	60	3	20.0	461	
Hayes	21	35	2	17.5	43	2	21.5	44	2	22.0	39	2	19.5	44	2	22.0	44	2	22.0	50	3	16.7	51	3	17.0	57	3	19.0	407	4565
Driscoll	28	43	3	14.3	57	3	19.0	43	3	14.3	69	3	23.0	54	3	18.0	77	4	19.3	56	3	18.7	63	3	21.0	55	3	18.3	517	
Lawrence	32	74	4	18.5	62	3	20.7	66	4	16.5	82	4	20.5	61	3	20.3	80	4	20.0	66	3	22.0	64	3	21.3	69	4	17.3	624	
Pierce	32	60	3	20.0	56	3	18.7	60	3	20.0	59	3	19.7	64	4	16.0	70	4	17.5	71	4	17.8	67	4	16.8	81	4	20.3	588	
FRR	42	93	5	18.6	100	5	20.0	91	5	18.2	107	5	21.4	98	5	19.6	93	5	18.6	95	4	23.8	82	4	20.5	83	4	20.8	842	
K-5 Total																													3017	
6-8 Total																													1548	
Total		453	26		491	26		482	27		543	27		501	27		547	28		528	27		503	26		517	27		-	6949
Average class size				17.3			19.0			17.9			20.0			18.6			19.7			19.5			19.5			19.1		19.0

Restructured School Model (using 2025 enrollment data)

Schools	Sections	K	Sections	Class Size	1	Sections	Class Size	2	Sections	Class Size	3	Sections	Class Size	4	Sections	Class Size	5	Sections	Class Size	6	Sections	Class Size	7	Sections	Class Size	8	Sections	Class Size	Sub-Total	2025 Total
Lincoln	26	47	3	15.7	57	3	19.0	51	3	17.0	58	3	19.3	46	3	15.3	59	3	19.7	55	3	18.3	43	2	21.5	47	3	15.7	463	
Baker	34	58	3	19.3	62	4	15.5	82	4	20.5	77	4	19.3	83	4	20.8	87	4	21.8	74	4	18.5	75	4	18.8	65	3	21.7	663	
Runkle (K-5)	16	40	2	20.0	66	3	22.0	44	2	22	60	3	20.0	63	3	21.0	68	3	22.7										341	
Hayes (K-5)	13	40	2	20.0	44	2	22.0	44	2	22.0	60	3	20.0	43	2	21.5	45	2	22.5										276	4565
Driscoll (K-5, local middle)	36	41	2	20.5	44	2	22	44	2	22	40	2	20	43	2	21.5	45	2	22.5	167	8	20.9	172	8	21.5	172	8	21.5	768	
Lawrence (K-5)	26	99.5	4	24.9	90	4	22.5	89.5	4	22.375	113.5	5	22.7	88	4	22	104.5	5	20.9										585	
Pierce (K-5)	25	85.5	5	17.1	84	4	21.0	83.5	4	20.9	90.5	4	22.625	91	4	22.75	94.5	4	23.625										529	
FRR (K-5, local middle)	44	42	2	21	44	2	22	44	2	22	44	2	22	44	2	22	44	2	22	232	11	21.1	213	10	21.3	233	11	21.2	940	
K-5 Total																													3017	
6-8 Total																													1548	
Total		453	23		491	24		482	23		543	26		501	24		547	25		528	26		503	24		517	25		-	6949

Sections Reduced Specialists Reduced		3			2			4			1			3			3			1			2			2			21
(.3 specialist/section)		0.9			0.6			1.2			0.3			0.9			0.9			0.3			0.6			0.6			6.3
Total teacher HC reduced		3.9			2.6			5.2			1.3			3.9			3.9			1.3			2.6			2.6			27.3
Paraprofessionals Reduced		3			2																									5
Average class size		19.7			20.5			21.0			20.9			20.9			21.9			20.3			21.0			20.7				20.7
Potential cost savings																														$ 3,506,502.30

Scenario 3: 2 Middle Schools

Schools	Sections	K	Sections	Class Size	1	Sections	Class Size	2	Sections	Class Size	3	Sections	Class Size	4	Sections	Class Size	5	Sections	Class Size	6	Sections (est.	Class Size	7	Sections (est.	Class Size	8	Sections (est.	Class Size	Sub-Total	2025 Total
Lincoln	26	47	3	15.7	57	3	19.0	51	3	17.0	58	3	19.3	46	3	15.3	59	3	19.7	55	3	18.3	43	2	21.5	47	3	15.7	463	
Baker	34	58	3	19.3	62	4	15.5	82	4	20.5	77	4	19.3	83	4	20.8	87	4	21.8	74	4	18.5	75	4	18.8	65	3	21.7	663	
Runkle	26	43	3	14.3	54	3	18.0	45	3	15.0	52	3	17.3	51	3	17.0	37	2	18.5	61	3	20.3	58	3	19.3	60	3	20.0	461	
Hayes	21	35	2	17.5	43	2	21.5	44	2	22.0	39	2	19.5	44	2	22.0	44	2	22.0	50	3	16.7	51	3	17.0	57	3	19.0	407	4565
Driscoll	28	43	3	14.3	57	3	19.0	43	3	14.3	69	3	23.0	54	3	18.0	77	4	19.3	56	3	18.7	63	3	21.0	55	3	18.3	517	
Lawrence	32	74	4	18.5	62	3	20.7	66	4	16.5	82	4	20.5	61	3	20.3	80	4	20.0	66	3	22.0	64	3	21.3	69	4	17.3	624	
Pierce	32	60	3	20.0	56	3	18.7	60	3	20.0	59	3	19.7	64	4	16.0	70	4	17.5	71	4	17.8	67	4	16.8	81	4	20.3	588	
FRR	42	93	5	18.6	100	5	20.0	91	5	18.2	107	5	21.4	98	5	19.6	93	5	18.6	95	4	23.8	82	4	20.5	83	4	20.8	842	
K-5 Total																													3017	
6-8 Total																													1548	
Total		453	26		491	26		482	27		543	27		501	27		547	28		528	27		503	26		517	27		-	6949
Average class size				17.3			19.0			17.9			20.0			18.6			19.7			19.5			19.5			19.1		19.0

Restructured School Model (using 2025 enrollment data)

Schools	Sections	K	Sections	Class Size	1	Sections	Class Size	2	Sections	Class Size	3	Sections	Class Size	4	Sections	Class Size	5	Sections	Class Size	6	Sections	Class Size	7	Sections	Class Size	8	Sections	Class Size	Sub-Total	2025 Total
Lincoln	19	47	3	15.7	57	3	19	67	3	22.3	69	3	23	63	3	21	80	4	20										383	
Baker	18	58	3	19.3	62	3	20.7	66	3	22	66	3	22.0	66	3	22.0	66	3	22.0										384	
Runkle (K-5)	22	61	3	20.2	88	4	22.0	66	3	22.0	80	4	20.0	85	4	21.3	90	4	22.6										470	
Hayes (K-5)	19	61	3	20.2	66	3	22.0	66	3	22.0	80	4	20.0	64	3	21.3	68	3	22.6										404	4565
Driscoll (K-5, local middle)	30																			222	10	22.2	215	10	21.5	219	10	21.9	656	
Lawrence (K-5)	32	103	5	20.6	109	5	21.8	109	5	21.7	135	6	22.5	112	5	22.3	133	6	22.1										700	
Pierce (K-5)	31	124	6	20.6	109	5	21.8	109	5	21.7	113	5	22.5	112	5	22.3	110	5	22.1										676	
FRR (K-5, local middle)	38																			306	13	23.5	288	12	24	298	13	22.9	892	
K-5 Total																													3017	
6-8 Total																													1548	
Total		453	23		491	23		482	22		543	25		501	23		547	25		528	23		503	22		517	23		-	6949

Sections Reduced Specialists Reduced		3			3			5			2			4			3			4			4			4			32
(.3 specialist/section)		0.9			0.9			1.5			0.6			1.2			0.9			1.2			1.2			1.2			9.6
Total teacher HC reduced		3.9			3.9			6.5			2.6			5.2			3.9			5.2			5.2			5.2			41.6
Paraprofessionals Reduced		3			3																									6
Average class size		19.7			21.3			21.9			21.7			21.8			21.9			23.0			22.9			22.5				21.8
Potential cost savings																														$ 5,275,241.60

Scenario 4: 2 Middle Schools

October 1, 2025 Enrollment (estimated sections/rooms)

Schools	Sections	K	Sections	Class Size	1	Sections	Class Size	2	Sections	Class Size	3	Sections	Class Size	4	Sections	Class Size	5	Sections	Class Size	6	Sections (est.	Class Size	7	Sections (est.	Class Size	8	Sections (est.	Class Size	Sub-Total	2025 Total
Lincoln	26	47	3	15.7	57	3	19.0	51	3	17.0	58	3	19.3	46	3	15.3	59	3	19.7	55	3	18.3	43	2	21.5	47	3	15.7	463	
Baker	34	58	3	19.3	62	4	15.5	82	4	20.5	77	4	19.3	83	4	20.8	87	4	21.8	74	4	18.5	75	4	18.8	65	3	21.7	663	
Runkle	26	43	3	14.3	54	3	18.0	45	3	15.0	52	3	17.3	51	3	17.0	37	2	18.5	61	3	20.3	58	3	19.3	60	3	20.0	461	
Hayes	21	35	2	17.5	43	2	21.5	44	2	22.0	39	2	19.5	44	2	22.0	44	2	22.0	50	3	16.7	51	3	17.0	57	3	19.0	407	4565
Driscoll	28	43	3	14.3	57	3	19.0	43	3	14.3	69	3	23.0	54	3	18.0	77	4	19.3	56	3	18.7	63	3	21.0	55	3	18.3	517	
Lawrence	32	74	4	18.5	62	3	20.7	66	4	16.5	82	4	20.5	61	3	20.3	80	4	20.0	66	3	22.0	64	3	21.3	69	4	17.3	624	
Pierce	32	60	3	20.0	56	3	18.7	60	3	20.0	59	3	19.7	64	4	16.0	70	4	17.5	71	4	17.8	67	4	16.8	81	4	20.3	588	
FRR	42	93	5	18.6	100	5	20.0	91	5	18.2	107	5	21.4	98	5	19.6	93	5	18.6	95	4	23.8	82	4	20.5	83	4	20.8	842	
K-5 Total																													3017	
6-8 Total																													1548	
Total		453	26		491	26		482	27		543	27		501	27		547	28		528	27		503	26		517	27		-	6949
Average class size				17.3			19.0			17.9			20.0			18.6			19.7			19.5			19.5			19.1		19.0

Restructured School Model (using 2025 enrollment data)

Schools	Sections	K	Sections	Class Size	1	Sections	Class Size	2	Sections	Class Size	3	Sections	Class Size	4	Sections	Class Size	5	Sections	Class Size	6	Sections	Class Size	7	Sections	Class Size	8	Sections	Class Size	Sub-Total	2025 Total
Lincoln	19	47	3	15.7	57	3	19	67	3	22.3	69	3	23	63	3	21	80	4	20										383	
Baker	18	58	3	19.3	62	3	20.7	66	3	22	66	3	22.0	66	3	22.0	66	3	22.0										384	
Runkle (K-5)	22	61	3	20.2	88	4	22.0	66	3	22.0	80	4	20.0	85	4	21.3	90	4	22.6										470	
Hayes (K-5)	19	61	3	20.2	66	3	22.0	66	3	22.0	80	4	20.0	64	3	21.3	68	3	22.6										404	4565
Driscoll (K-5, local middle)	27																			222	9	24.7	215	9	23.9	219	9	24.3	656	
Lawrence (K-5)	29	114	5	22.7	109	5	21.8	109	5	21.7	124	5	24.8	99	4	24.8	122	5	24.3										676	
Pierce (K-5)	30	114	5	22.7	109	5	21.8	109	5	21.7	124	5	24.8	124	5	24.8	122	5	24.3										700	
FRR (K-5, local middle)	37																			306	13	23.5	288	12	24	298	12	24.8	892	
K-5 Total																													3017	
6-8 Total																													1548	
Total		453	22		491	23		482	22		543	24		501	22		547	24		528	22		503	21		517	21		-	6949

Sections Reduced		4			3			5			3			5			4			5			5			6				40
Specialists Reduced																														
(.3 specialist/section)		1.2			0.9			1.5			0.9			1.5			1.2			1.5			1.5			1.8				12
Total teacher HC reduced		5.2			3.9			6.5			3.9			6.5			5.2			6.5			6.5			7.8				52
Paraprofessionals Reduced		4			3																									7
Average class size		20.6			21.3			21.9			22.6			22.8			22.8			24.0			24.0			24.6				22.7
Potential cost savings																														$6,573,052.00

Scenario 5: Current K-8 Model, Optimized for Class Sizes

October 1, 2025 Enrollment (estimated sections/rooms)

Schools	Sections	K	Sections	Class Size	1	Sections	Class Size	2	Sections	Class Size	3	Sections	Class Size	4	Sections	Class Size	5	Sections	Class Size	6	Sections (est.	Class Size	7	Sections (est.	Class Size	8	Sections (est.	Class Size	Sub-Total	2025 Total
Lincoln	26	47	3	15.7	57	3	19.0	51	3	17.0	58	3	19.3	46	3	15.3	59	3	19.7	55	3	18.3	43	2	21.5	47	3	15.7	463	
Baker	34	58	3	19.3	62	4	15.5	82	4	20.5	77	4	19.3	83	4	20.8	87	4	21.8	74	4	18.5	75	4	18.8	65	3	21.7	663	
Runkle	26	43	3	14.3	54	3	18.0	45	3	15.0	52	3	17.3	51	3	17.0	37	2	18.5	61	3	20.3	58	3	19.3	60	3	20.0	461	
Hayes	21	35	2	17.5	43	2	21.5	44	2	22.0	39	2	19.5	44	2	22.0	44	2	22.0	50	3	16.7	51	3	17.0	57	3	19.0	407	4565
Driscoll	28	43	3	14.3	57	3	19.0	43	3	14.3	69	3	23.0	54	3	18.0	77	4	19.3	56	3	18.7	63	3	21.0	55	3	18.3	517	
Lawrence	32	74	4	18.5	62	3	20.7	66	4	16.5	82	4	20.5	61	3	20.3	80	4	20.0	66	3	22.0	64	3	21.3	69	4	17.3	624	
Pierce	32	60	3	20.0	56	3	18.7	60	3	20.0	59	3	19.7	64	4	16.0	70	4	17.5	71	4	17.8	67	4	16.8	81	4	20.3	588	
FRR	42	93	5	18.6	100	5	20.0	91	5	18.2	107	5	21.4	98	5	19.6	93	5	18.6	95	4	23.8	82	4	20.5	83	4	20.8	842	
K-5 Total																													3017	
6-8 Total																													1548	
Total		453	26		491	26		482	27		543	27		501	27		547	28		528	27		503	26		517	27		-	6949
Average class size				17.3			19.0			17.9			20.0			18.6			19.7			19.5			19.5			19.1		19.0

Restructured School Model (using 2025 enrollment data)

Schools	Sections	K	Sections	Class Size	1	Sections	Class Size	2	Sections	Class Size	3	Sections	Class Size	4	Sections	Class Size	5	Sections	Class Size	6	Sections	Class Size	7	Sections	Class Size	8	Sections	Class Size	Sub-Total	2025 Total
Lincoln	18	48	2	24.0	48	2	24	48	2	24.0	50	2	25	48	2	24	50	2	25	48	2	24	48	2	24.0	48	2	24	436	
Baker	28	72	3	24.0	72	3	24.0	72	3	24	75	3	25	72	3	24	100	4	25	72	3	24	72	3	24.0	72	3	24	679	
Runkle	18	48	2	24.0	48	2	24.0	48	2	24	50	2	25.0	48	2	24.0	50	2	25.0	48	2	24	48	2	24.0	48	2	24	436	
Hayes	18	48	2	24.0	48	2	24.0	48	2	24.0	50	2	25.0	48	2	24	50	2	25.0	48	2	24	48	2	24.0	48	2	24	436	4580
Driscoll	20	48	2	24	48	2	24	48	2	24	75	3	25	48	2	24	50	2	25	72	3	24.0	48	2	24.0	48	2	24	485	
Lawrence	27	72	3	24.0	72	3	24.0	72	3	24	75	3	25	72	3	24	75	3	25	72	3	24	72	3	24.0	72	3	24	654	
Pierce	26	48	2	24	72	3	24.0	72	3	24.0	75	3	25	72	3	24	75	3	25	72	3	24	72	3	24.0	72	3	24	630	
FRR	34	72	3	24	96	4	24	72	3	24	100	4	25	96	4	24	100	4	25	96	4	24.0	96	4	24	96	4	24.0	824	
K-5 Total																													3044	
6-8 Total																													1536	
Total		456	19		504	21		480	20		550	22		504	21		550	22		528	22		504	21		504	21		-	6964

Sections Reduced		7			5			7			5			6			6			5			5			6				52
Specialists Reduced																														
(.3 specialist/section)		2.1			1.5			2.1			1.5			1.8			1.8			1.5			1.5			1.8				15.6
Total teacher HC reduced		9.1			6.5			9.1			6.5			7.8			7.8			6.5			6.5			7.8				67.6
Paraprofessionals Reduced		7			5																									12
Average class size		24.0			24.0			24.0			25.0			24.0			25.0			24.0			24.0			24.0				24.2
Potential cost savings																														$8,666,767.60

Appendix: Economic Development Plan

Appendix A: Fiscal Impact Model

Appendix B: RKG Fiscal Impact Analysis, January 2025

Appendix C: RKG Fiscal Impact Analysis, March 2025

Appendix D: RKG Model Preliminary Questions

Appendix E: Fiscal Impact Models

Appendix F: Economic Development Scorecard

Appendix G: EDAB and Non-EDAB Commercial Tax Revenue Contributions

Memorandum

To: Brookline Select Board
Melvin Kleckner -Town Administrator
Alison Steinfeld - Director of Planning & Community Development

Cc: Planning Board
Housing Advisory Board
Advisory Committee Chair and Co-Chair
Former Brookline Fiscal Advisory Committee
School Committee Chair and Vice Chair
Chair of School Finance Subcommittee
Rachid Belhocine - Acting Chief Assessor
Feng Yang – Acting Chief Information Officer
Joseph Viola – Assistant Director for Community Planning

Fr: Economic Development Advisory Board (EDAB)
Kara Brewton- Economic Development Director

Re: Brookline Fiscal Impact Model

Date: December 7, 2020

Executive Summary

This memorandum provides an update on, and recommendations for the enhancement and use of, a fiscal impact model developed by the Harvard College Consulting Group (HCCG) that was presented to EDAB and other Town board and committee representatives at EDAB's June 1, 2020 meeting.

The HCCG fiscal impact model (FIM) was developed as follow up to one recommendation made by the Brookline Fiscal Advisory Committee (BFAC), namely, that in order to encourage economic development that will increase the Town's revenue base and economic vibrancy, the Town evaluate potential amendments to its Zoning By-Law to incentivize new development in designated areas. The FIM allows the user to test the fiscal impact of increased floor area ratio (FAR) for a mix of commercial and residential development within a designated area within Brookline. The model compares the net fiscal impact of hypothetical redevelopment scenarios against the fiscal contributions of existing buildings, using the Town Assessor's database.

Over the past few months an EDAB Subcommittee[1] has evaluated the HCCG FIM to determine ways to enhance the model's capacity to forecast the fiscal impact of redevelopment scenarios. The Subcommittee conducted due diligence to better understand current methodology for fiscal impact analysis, including reviewing several existing studies and holding discussions with consultants and officials from other

[1]The EDAB Fiscal Impact Model Subcommittee consisted of EDAB Co-Chair Paul Saner and EDAB members Carol Levin, Ken Lewis, and Cliff Brown.

municipalities. Ultimately the Subcommittee focused on expanding and refining the FIM data inputs to encompass a broader range of property types and provide a more comprehensive basis for projecting the municipal costs associated with new development. Additional feedback was provided at two public meetings hosted by the subcommittee. The result of this work by the Subcommittee is summarized on the attached draft Data Input Spreadsheet (Exhibit D to this memo), which is intended to customize data inputs for key variables used in the HCCG FIM. The body of this memo (see Detailed Discussion below) outlines considerations addressed by the Subcommittee in development of the draft Data Input Spreadsheet; Preliminary Conclusions based on placeholder assumptions used in the Spreadsheet; and recommended Next Steps for the refinement and utilization of the FIM.

EDAB recommends that the fiscal impact model serve as a long-range land use planning tool to be used as part of analyses of zoning options for Brookline and planning for growth over the next decade. The model should be further enhanced and refined based on the Subcommittee's studies described in this memo. An FIM that is appropriately customized for Brookline would provide a tool to estimate, in the form of ballpark projections, incremental municipal revenues and expenses for various up-zoning scenarios (including alternative land uses and density) for corridors or areas of Brookline under broad assumptions. Use of such a tool should be part of a broader planning analysis and complement other development evaluation criteria in the formulation of land use and zoning regulations for the Town. EDAB recognizes that fiscal impact is but one of several criteria to evaluate new development and recommends that the FIM be used in conjunction with other important evaluation factors such as neighborhood compatibility (scale and use), public safety, traffic and circulation, walkability, open space, architectural quality, housing affordability, climate sustainability, and commercial area vitality.

As noted by the Subcommittee and further described below, the FIM has some key limitations. The model does not attempt to quantify the broad range of local economic impacts associated with new development such as increased customers for local businesses or miscellaneous tax revenue such as meals tax and parking fees. The FIM uses broad assumptions for a designated corridor or area and as such should not substitute for detailed fiscal analysis of a specific development proposal for a specific site. Finally, the FIM does not attempt to project the capital costs of new facilities for the Public Schools of Brookline which incorporate several factors in addition to new development such as demographic trends (e.g., family size) and PSB policies (e.g., classroom size, K-8 school boundaries).

Detailed Discussion

On behalf of EDAB we want to thank Arthur Segel and his students comprising the HCCG for creating the initial redevelopment FIM. We are hopeful the model will become a valuable tool to assist Town boards in quantifying the estimated fiscal impact of alternative zoning scenarios for key commercial and mixed-use corridors in Brookline.

The fiscal impact model represents a logical next step to the recent BFAC report that recommended evaluation of zoning changes to incentivize new development and encourage increased density in designated areas so as to generate additional property

tax revenues and otherwise support the Town's revenue growth and economic vibrancy. This tool could especially be useful with regards to promoting a full public understanding of the implications of proposed Town Meeting rezoning approvals. Consideration of the FIM as a planning resource appears timely as various Town boards and committees are evaluating the potential benefits of increased density to achieve community goals, including increasing affordable housing and promoting sustainable design. It is recommended the FIM (with further enhancements and refinements as discussed below) be used as part of the planning analyses to be undertaken in updating the Town's Housing Production Plan scheduled for 2021 and by land use study committees charged with assessing options for the Route 9 corridor and other mixed-use corridors.

For reference, the HCCG Data Inputs and Assumptions Summary is attached as Exhibit A, and an executive summary of the HCCG fiscal impact model (FIM) is attached as Exhibit B. The HCCG draft FIM was designed to provide estimates for increases in property taxes and municipal expenses for commercial and residential development based on increased permitted density for a selected area. The model allows parcels within a specified area to be screened for their feasibility for redevelopment by establishing minimum square foot and FAR thresholds that are sufficient to support new construction.

During the past few months EDAB members appointed to a Fiscal Impact Model Subcommittee have taken steps to more fully understand the FIM and to identify additional variables and data that should be added to enhance the model's accuracy and compatibility for realistic development scenarios within Brookline. The Subcommittee identified some specific factors that are recommended be incorporated in the model, and additional refinements to be considered that will require further investigation and analysis. Particular factors to include in the HCCG FIM model have been incorporated in the Data Input Spreadsheet that was developed to supplement the HCCG FIM (see below and attached Exhibit D).

Limitations and Qualifications of the FIM

The following limitations and qualifications of the FIM should be noted:

- Site Specific Analysis: The FIM does not provide and should not substitute for detailed fiscal impact analysis of a specific development proposal on a specific site. Known components of a development plan should be incorporated into site specific analysis, including factors such as proposed use, scale, parking ratios, and where applicable, the unit mix of a multi-family building.

- PSB Capital Costs: The FIM incorporates projections of annual public education operating costs associated with new development but does not include estimates of the incremental capital costs for the Public Schools of Brookline (PSB). It should be noted that "fully loaded" annual costs include debt service for bonding of school related projects. Once present bonds are paid off there is theoretical capacity for additional capital borrowings. Facility plans for the PSB incorporate several factors in addition to new development, including demographic trends (i.e., birth rates, household size), immigration patterns, and PSB policies (i.e., classroom size, staffing plans, district boundaries for K-8 schools).

- Economic Impact Analysis: The FIM does not attempt to quantify the broader economic impact of new development including the potential benefits of additional residents and workers on local businesses and the generation of miscellaneous Town revenues (i.e., parking meter fees, meals tax).

- Tax Exempt Property: The FIM is based on projecting property taxes by applying the Residential or Commercial tax rate to the full assessed valuation of new building gross square feet in a designated area. It does not incorporate new development or an acquisition by tax exempt institutions that may enter into Payments in Lieu of Taxes (PILOT) agreements. Note that if a property is deemed to be tax exempt due to nonprofit ownership and an exempt use, the tax that would otherwise be paid is shifted to the other taxpayers within the same property class.

- Age Restricted Housing: The data input spreadsheet includes projected municipal cost for multi-family housing that incorporates an estimate of school age children (SAC) per household. The model can be adjusted to incorporate housing restricted to residents age 55+ by reducing the SAC assumption to zero. A corresponding increase to the estimate for public safety costs (EMT calls, etc.) may be warranted.

- Renovation of Property: The FIM projects the fiscal impact of net new residential and commercial square feet built within a designated corridor resulting from an increase in the maximum allowable FAR. The FIM as currently configured is not able to project the fiscal impact of substantial renovation and/or upgrading of existing buildings within the designated corridor being studied.

Due Diligence

As part of our process EDAB subcommittee members reviewed several fiscal impact studies from other municipalities (see Exhibit B), and held, along with Roger Blood and Kara Brewton, a Zoom conference with Judi Barrett, a highly respected consultant on municipal fiscal impact analysis, economic development, and affordable housing. In addition, EDAB Co-Chairs had discussions with members of Newton's Economic Development Commission regarding their recent experience with fiscal impact analysis for large mixed-use development projects.

Ms. Barrett is Principal of Barrett Planning LLC (barrettplanningllc.com). She was formerly the Economic Development Director for the Plymouth Regional Economic Development Foundation. In addition, Judi previously served as Director of Municipal Services for RKG Associates, Inc., a nationally recognized development consulting firm. At RKG Ms. Barrett served as a consultant to Brookline for preparation of the Town's 2016 Housing Production Plan. She also took a lead role in preparation of the fiscal impact studies for Marlborough and Newton noted in Exhibit C.

Key Issues and Model Enhancements

Following are key issues identified by the Subcommittee for the Town to consider in developing and employing a fiscal impact forecasting model in its assessment of potential zoning changes. The Brookline Planning staff and EDAB members, with assistance from the Town Assessor and land use study committees, have considerable experience in evaluating potential tax benefits for proposed commercial and mixed-use projects in Town that required amendments to the zoning by-law and tax certainty agreements; thus, much of the discussion below addresses assumptions and metrics for proposed multi-family residential development and mixed commercial/residential development

Model Time Frame: It is recommended that a ten-year time frame be assumed in formulating redevelopment scenarios for selected corridors (with acknowledgement that the Housing Production Plan is for five years). Annual adjustments would be made for key assumptions such as the assessed valuations per gross square foot (GSF) for various property types, and the applicable residential and commercial tax rates. In addition, annual updates can be made for evolving metrics in new development such as parking ratios. The ten-year time period is consistent with the long lead time often required between adoption of zoning reform and for new development to achieve stabilized occupancy. It should also be noted that in a mature community like Brookline the development life cycle is often extended by the requirement for multi-parcel site assembly. The proposed time frame deemphasizes the near-term disruptive impacts of the COVID-19 pandemic, including its impact on capital markets, selective commercial uses, parking ratios and mass transit utilization. Longer timeframes introduce much greater uncertainty related to changes in technology, demographics, and capital markets.

Property Types: The HCCG model allows for designation of new development as either Residential or Commercial use. The assessed value assumptions are based on averages for new development, incorporating a broad range of specific uses and scale within the property category. The applicable Commercial or Residential tax rate is then applied to the assessed values. Recognizing that there are significant distinctions in value and demand for municipal services within the broad categories of residential and commercial uses we formulated a Data Input Spreadsheet to include six residential and five commercial categories of new development; these include condominiums (low-rise 2-3 floors, mid-rise 4-6 floors, and high-rise 7+ floors), rental apartments (low, mid and high rise), general office, medical office, life science, retail/restaurant, and hotels. (Other property types of residential and commercial property types could also be incorporated.) Assessed valuations per GSF can be determined from comparable properties within the Assessor's database, recent comparable sale transactions, and available development pro forma for recent projects. The tested scenarios would specify a percentage of property types for future mixed-use development in a designated area.

Fair Housing Law: In evaluating the fiscal impact of zoning regulations related to multi-family housing development Town Boards and Commissions must be sensitive to conformance with the federal Fair Housing Law. Judi Barrett provided helpful guidance on this issue noting that the Town's fiscal impact analysis should include a range of land

uses and not focus solely on multi-family and its potential impact on generating net additional school age children. The data input spreadsheet incorporates the Town's inclusionary zoning requirements for the provision of Affordable Housing Units as a percentage of total units, not as a separate category. Finally, as noted previously, fiscal impacts are but one dimension of evaluating alternative zoning scenarios for the Town.

Public Schools of Brookline (PSB) Cost Assumptions: Education represents approximately sixty percent (60%) of the Town's total annual operating budget. Quantifying the impact of new development on public schools is a key focus of fiscal impact studies. Three key metrics are critical in forecasting this major cost component:

- **Fully Loaded Budget Number:** The HCCG fiscal impact model only uses the PSB annual operating budget as a placeholder for multi-family incremental municipal cost; this is calculated as the total annual operating budget divided by total existing residential square feet. The PSB cost assumption for the model should be the so-called fully loaded number that includes all expenditures on behalf of the schools regardless of where the funds are allocated in the Town's operating statements; this number includes allocations from non-PSB departments, building improvements, debt service for school projects, and OPEB contributions. This comprehensive approach is consistent with the method used by the Massachusetts Department of Elementary and Secondary Education to calculate and report school expenses and has been integrated into the Data Input Spreadsheet.

- **School Age Children (SAC) Per Unit Ratio**: In fiscal impact studies SAC ratios applied to new residential development are typically based on surveys of comparable local properties. The ratios are usually adjusted for unit mix (i.e., number of studio, 1, 2, 3, and 4-bedroom units), condominium vs. rental apartments, location (with focus on proximity to K-8 schools), affordable housing requirements, and age restrictions (if any). In Brookline the proximity of K-8 schools in most mixed-use corridors decreases the need for location specific assumptions. It is recommended that determination of different SAC ratios for condominiums and rental apartments based on updated school student enrollments from PSB that includes new multi-family development (including properties developed under MGL 40B). These SAC assumptions should be cross checked with ratios from new developments in nearby communities, with the recognition that Brookline's unique proximity to Boston, major universities, and the LMA will likely result in a demographic profile that is markedly different from other "suburbs".

Average vs. Marginal Costs: Fiscal impact studies use either the average or marginal cost approach in projecting the annual cost per additional student generated by new residential development. Some studies report both to show a range of potential costs; this is the approach we recommend be ultimately incorporated into the Brookline FIM. While it is preferrable to use a range of average and marginal costs it is noted that over an extended period of time they will tend to converge. We have used the average cost per student and derived that by dividing the fully loaded cost per student by the forecasted number of K-12 students for the 20-21 school year shown in the report prepared for the PSB by Cropper GIS last year. We recommend that users of the

model work with the PSB to formulate an updated estimate of marginal annual costs. This analysis would focus on determining so-called "fixed" department cost that are independent of school enrollment.

School Enrollment Forecasts: The recent forecast report prepared by Cropper GIS for the PSB notes that public school enrollment is influenced by several factors separate from the total number of residential units (existing and proposed) in a municipality. These include the mix of housing types and sizes, demographic trends (e.g., birth rates, persons per household), the macroeconomic environment (interest rates, employment) and immigration policies. Accordingly, one should not assume that any SAC per unit estimates incorporated into the FIM would be strictly additive to the overall school age population and school cost structure. For example, additional student enrollment generated from new multi-family development may offset total enrollment that would otherwise have decreased due to demographic trends such as smaller average household size.

Allocation and Projection of Non-School Municipal Costs: Fiscal impact studies reviewed by EDAB subcommittee typically used one of two approaches in forecasting incremental non-school municipal costs for new development. These include allocating costs by property classification, then estimating the average (or if available marginal) cost for new development on a GSF basis. Alternatively, some studies focus on the specific correlation between new development and service calls for police, fire, and emergency medical technicians. (The latter is especially relevant for senior housing.) We recommend the model inputs be based on the former approach that provides a more comprehensive analysis of costs. Some municipal costs should clearly be allocated 100% to residential use, including PSB, recreation, and the public library. EDAB recommends other municipal costs be allocated based on gross square feet from the Assessor's database. These other municipal costs would therefore be allocated based on the ratio of residential, commercial and institutional building square feet to total square feet of buildings in Town. This approach has been incorporated into the Data Input Spreadsheet. As noted previously in regard to PSB cost projections, the FIM would be enhanced by providing an estimate of both marginal and average cost for all municipal services. This would necessitate analysis of Town department budgets to determine which line-item costs are fixed and which vary by changes in the Town's population.

Criteria for Screening Potential Redevelopment Sites: The current version of the HCCG FIM allows the user to designate an area for up-zoning by parcel address from the Assessor's database. The feasibility for redevelopment of specific parcels can be screened by setting minimum thresholds for FAR and square feet needed to support new construction (see Exhibit B). Further refinement of the screens built into the FIM is recommended to identify parcels feasible for redevelopment. Specifically, it is recommended the model be revised to allow the user to stipulate a minimum percentage difference between the existing built FAR and the maximum FAR allowed under a hypothetical up-zoning scenario. For example, the user could specify that the proposed FAR must exceed existing FAR by a minimum of 50% in order to provide sufficient financial incentives for redevelopment over the next decade. The model could also benefit from screens that eliminate parcels that are too small to support new

development unless they are directly adjacent to parcels that otherwise meet the redevelopment thresholds (i.e., to accommodate site assembly).

Data Input Spreadsheet

Attached as Exhibit D is the aforementioned draft Data Input Spreadsheet designed to customize data inputs for key variables used in the HCCG FIM.

The spreadsheet incorporates assumptions for alternative up-zoning scenarios, including a percentage mix of residential and commercial property types. It also accommodates alternative assumptions for key fiscal impact metrics including average assessed value per GSF by the eleven property types previously noted, associated parking ratios, average residential unit sizes, motor vehicle excise tax, occupancy excise tax, personal property tax, school age children (SAC) per unit, annual cost per student (option for average or marginal), and the allocation of non-school municipal costs.

To provide compatibility between commercial and residential property all per unit metrics are translated into gross square feet.

Please note the assumptions in the draft Data Input Spreadsheet are illustrative for format only and subject to further review and input.

Preliminary Conclusions

Based on the placeholder assumptions used in the Spreadsheet we would note the following preliminary conclusions which are consistent with expectations for new development:

Multi-family residential development with a mix of market rate and Affordable units would generate a modest net positive fiscal impact to the Town. Greater fiscal benefit would be generated from condominiums vs. apartments (despite the higher SAC ratio assumed for condominiums), and from high-rise vs. mid-rise buildings (given the presumed higher sale prices and rents required to off-set increased construction cost to meet high-rise building codes).

Commercial development would generate substantially higher tax revenues and lower municipal expenses per GSF than multi-family residential. The net fiscal benefit per GSF of commercial development would under most scenarios exceed multi-family residential by over 400%. This is an obvious structural result of the Commercial tax rate that is currently 1.64 times the Residential tax rate and zero allocation of incremental school costs to new commercial development.

Next Steps – Near Term Utilization

- **Transfer the User Interface for the FIM to a Town-Managed Server:** The user interface for this model is temporarily available through the HCCG group at http://brookline-calc.herokuapp.com/. For utilization purposes, the program should be based on a Town-managed server with a public user interface limited

to data input and assumptions. Control of the software and its integration with Town budgets, tax rates, and the Assessor's database should be retained within the Department of Planning & Community Development.

- **Update SAC Ratios**: The Chair of the Housing Advisory Board has indicated interest in utilizing this FIM for updating the Housing Production Plan, and the Economic Development Director believes this model could be a helpful analysis tool in the Boylston Street Corridor Study Committee. ***Prior to utilization, we recommend the SAC enrollment data be updated for multi-family buildings built within the last decade.***

- **Comp Research**: Users of the FIM should identify and analyze comparable properties developed over the past decade to refine assumptions for the Data Input Spreadsheet.

- **Marginal Cost Analysis:** Users of the FIM should work with staff and boards/committees of PSB and other Town departments to formulate estimates of marginal cost for various municipal services that are directly correlated to changes in school enrollment and Town population.

Next Steps – Future Enhancements

- **Integration of the Data Input Spreadsheet and HCCG FIM**: A consolidated screen should be created to provide a single-entry platform for input of user assumptions that are included in the Data Input Spreadsheet (see Exhibit D) into the HCCG FIM.

- **Parcel Screening Criteria**: The FIM program should be revised to permit the user to add screens for selecting parcels that are feasible for redevelopment within a specified area based on minimum size and percentage changes in FAR between existing hypothetical up-zoning scenario.

- **Integration of Geographic Information System:** Ideally the FIM should be linked to or integrated with GIS applications to make it easier to select study parcels and to visually evaluate possible zoning changes.

Promoting the right mix of property types and density to balance fiscal impact with other community goals will be a challenge for Brookline going forward. We look forward to further collaboration on this model.

List of Exhibits

A HCCG Data Inputs & Assumptions Summary

B HCCG Fiscal Impact Model Executive Summary & Data Inputs Screens

C Fiscal Impact Related Studies & Reports – Due Diligence Review

D Data Input Spreadsheet

Data Inputs & Assumptions

Background: The Harvard College Consulting Group (HCCG) Fiscal Impact Model (FIM) allows the user to project the fiscal impact of alternative redevelopment (AKA "up-zoning") scenarios for a designated area within the Town of Brookline MA. The FIM uses the Assessor's data base to input parcel addresses, parcel sizes, and existing building gross square feet (GSF). The user can assign a new maximum floor area (FAR) ratio for the designated area, determine the feasibility of redevelopment based on minimum FAR and SF thresholds, and designate a percentage allocation between commercial and residential property type for new development. The user would also input assumptions for the assessed valuation, tax rates, and municipal service costs for newly developed commercial and residential property. The FIM calculates the net difference in tax revenue between existing properties and potential redevelopment.

The Data Input Spreadsheet is intended to supplement the HCCG FIM data inputs for assessed valuation (A/V) and municipal service cost by property type, incorporating weighted average assumptions based on a designated percentage mix of various residential and commercial property types as described below. To provide compatibility with the HCCG FIM and between commercial and residential property, all metrics have been translated into gross square feet.

Assessed Valuation Per GSF of Residential Space: The user can specify the projected A/V per GSF for six different multi-family residential categories: Condominum Low-Rise (e.g., attached townhouses or garden apartments comprising 2 - 3 floors), Condominium Mid-Rise ("stick on podium" buildings 4 - 6 floors), and Condominium High-Rise (buildings 7 floors + / > 75 feet in height subject to Mass. High Rise Building Code), Apartment Low-Rise, Apartment Mid-Rise, and Apartment High-Rise. Adjustments can be made for unit size, common area factor, percentage and income category of Affordable Housing Units (based on the HUD Area Median Index schedule), associated parking requirements, and motor vehicle excise tax revenue. The current Residential tax rate is $9.45 per $1,000 of A/V.

Assessed Valuation Per GSF of Commercial Space: The user can specify the projected A/V per GSF for five different commercial property types including general office, medical office, life science, retail/restaurant, and hotel. Adjustments can be made for associated parking ratios, personal property tax revenue, and in the case of hotels, the room occupancy excise tax. The current Commercial tax rate is $15.53 per $1,000 of A/V.

Municipal Cost Per GSF of Residential Space: The user can specify the projected cost per GSF of Town services for new residential development incorporating assumptions of school age children per unit, annual cost per student (net of Ch. 70 State aid), and other municipal services. Data is based on the Town's "fully loaded" annual budget for FY21 and enrollment data from the Cropper Report. The cost of Education, Library and Recreation services are allocated 100% to Residential property. The fully loaded budget allocates certain debt service, capital improvements, and retirement system payments to Town departments.

Municipal Cost Per GSF of Commercial Space: The user can specify the projected cost per GSF of Town services for new commerical development. Data is based on Town's fully loaded annual budget for FY21.

Data Inputs & Assumptions	**Source**
Study Area: Parcel Starting & Ending Addresses	Direct Input Assumption for HCCG Fiscal Impact Model
Floor Area Ratio (Proposed FAR)	Direct Input Assumption for HCCG Fiscal Impact Model
Plot Utilization Ratio	Direct Input Assumption for HCCG Fiscal Impact Model
Tax Rate - Residential Property	Direct Input Assumption for HCCG Fiscal Impact Model
Tax Rate - Commercial Property	Direct Input Assumption for HCCG Fiscal Impact Model
Residential / Commercial Mix of New Development (%)	Direct Input Assumption for HCCG Fiscal Impact Model
Average Assessed Value Per GSF of Residential Property	Data Input Spreadsheet (see above)
Average Assessed Value Per GSF of Commercial Property	Data Input Spreadsheet (see above)
Town Cost Per GSF of Residential Property	Data Input Spreadsheet (see above)
Town Costs Per GSF of Commercial Property	Data Input Spreadsheet (see above)
Minimum New GSF to Develop Parcel	Direct Input Assumption for HCCG Fiscal Impact Model
Minimum New FAR to Develop Parcel	Direct Input Assumption for HCCG Fiscal Impact Model

Brookline Potential Tax Revenue Model

Executive Summary (DRAFT – 4/29/20 5:00 PM)

I. Model Overview

HCCG created a model (brookline-calc.herokuapp.com) to calculate the **potential increase in tax revenues** for the Town of Brookline due to increased property values after redevelopment. This **model can be applied for any part of Brookline**, with adjustable values for Floor Area Ratio (FAR), utilization rate, land value, tax rate, costs (incurred by the Town of Brookline), addresses, and zoning use types (residential or commercial only). Costs mainly stem from increases in educational spending due to growth in the school-age population. Finally, it is important to note that this model shows the maximum **potential** square footage of development and is **not a prediction for how much will actually be developed.**

To calculate the increase in tax revenues, the model considers all plots of land on the selected street(s). For each plot, the **total developable area** (in square feet) is calculated by multiplying the land area by the selected hypothetical **FAR**, and then subtracting the square footage that is **currently developed**. Next, this developable area is split between residential and commercial use types and multiplied by the per-square-foot **property value** and by the **current tax rate** of each respective use type to calculate the total increase in tax revenue from a **single plot**. This is completed for every plot in the specified area, and the results are summed together to obtain the **total potential gross increase in tax revenues**. Lastly, costs incurred are calculated for each use type based on the total developed area, and this number is subtracted from the potential gross increase to obtain the **total potential net increase in tax revenues**.

II. Example Results: Beacon Street Transit Corridor

The results presented below use the **Beacon Street Transit Corridor as an example** – with the corridor consisting of Beacon Street itself, one block on each side, and the major cross streets such as Harvard Street. **FAR values of 5 and 10** were tested, and the model was applied to both the **entire corridor** and **commercial properties only**. The parameter estimates used for this example are detailed below.

Results:

Developable Area (millions square feet)

	Commercial	Entire Corridor
FAR 5	2.07	12.91
FAR 10	3.81	29.55

Annual Net Tax Revenue (millions USD)

	Commercial	Entire Corridor
FAR 5	13.96	53.7
FAR 10	26.33	125.86

Parameter Estimates for Beacon Street Transit Corridor Example

Parameter	HCCG Estimate	Reasoning	Source(s)
Plot Utilization Rate	100%	To calculate **maximum potential** increase, assume development of **all** land parcels.	
Residential Proportion of New Development	100%	For new development, **implying 84% and 87% residential use under FAR 5 and FAR 10**. Scaled-up from current distributions, assuming	Andy Martineau, Pam McKinney, Steve Heikin, Brookline Assessor's Office

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		proportions remain similar post-FAR increase and commercial becomes residential/commercial mixed-use. Model assumes commercial proportion of 100% minus residential ratio.	Property Database, Brookline's Coolidge Corner Study Committee
Average Residential Value	$600/ft^2	Rough average of various estimates: **$500-600** (projected tax revenue divided by tax rate for market rate residential in Coolidge Corner), **$300-400** (projected tax revenue divided by tax rate for affordable residential in Coolidge Corner), **$880** (average assessed value for market-rate condos in "very good" and "excellent" condition sold in last year), and **$241** (RKG Associates' estimation for Newton Northland development).	Brookline's Coolidge Corner Study Committee, Brookline Assessor's Office Property Database, BFAC report, Pam McKinney, Newton Northland case study
Average Commercial Value	$580/ft^2	Rough average of various estimates: **$530-590** (projected tax revenue divided by tax rate for commercial in Coolidge Corner) and **$630** (averaged assessed value for all retail stores on Beacon Street).	Brookline's Coolidge Corner Study Committee, Brookline Assessor's Office Property Database, BFAC report, Pam McKinney, Newton Northland case study
Residential Tax Rate	0.945%	Brookline FY20 residential tax rate.	Brookline Assessor's Office
Commercial Tax Rate	1.553%	Brookline FY20 commercial tax rate.	Brookline Assessor's Office
Town Cost to Serve Residential Development	$1.35/ft^2 developed	Current total school budget divided by total residential square footage in the town.	Brookline Assessor's Office Property Database
Town Cost to Serve Commercial Development	$0/ft^2 developed	Model defaults to only costs incurred from residential development (due to schools).	

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III. Methodology

HCCG conducted **expert interviews** with urban studies experts, urban studies professors, developers, and Brookline town officials to identify the types of development to incorporate into the model. HCCG also conducted **primary data analysis** of the Brookline Assessor's Office Property Database to estimate parameter values across the town. Lastly, HCCG conducted a series of **case studies** on nearby developments – including Waldo/Durgin in Brookline and past projects in Newton and Fenway Park – to gain insight into parameter estimates for the Beacon Street Corridor example.

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Harvard College Consulting Group

Brookline Potential Economic Development

Potential Revenue Calculator Details Report

Description of Input Terms

FAR - Floor Area Ratio
FAR stands for floor area ratio. This value is equivalent to the total allowable developed area of a land plot divided by the land area of the plot. Generally speaking, floor area ratio describes the average number of floors of a property developed on the specified piece of land. The inputed FAR in our model represents the cap on development, as cities commonly have restrictions on the number of floors in a building. A FAR of 5, for example, would roughly represent a cap on development at 5 floors.

Plot Utilization Rate
This rate (between 0% and 100%) represents the percentage of developable area that would be turned into finished area by developers. In a high-demand market, this would be expected to be a value close to 1. A low-demand market, on the other hand, would be expected to have a lower plot utilization rate.

Residential/Commercial Proportion of New Development
The residential proportion of new development (between 0% and 100%) represents the proportion of new development that will be dedicated to residential purposes. The commercial proportion is assumed to be the residential proportion subtracted from 100% (since all new development is either residential or commercial in this model).

Average Value: Residential/Commercial ($/sqft)
This value describes the average value per finished square foot of new residential/commercial development, as it would be measured by the Assessor's Office.

Tax Rate
This value describes the tax rate on the development based on the development's assessed value. The total amount a developmment is taxed is the tax rate multiplied by its assessed value.

Town Cost to Serve Residential/Commercial Development ($/sqft)
The increase in costs to the Town of Brookline per square foot of new development. These costs mainly stem from increases in educational spending to accomodate for increases in school-age population.

proportion is assumed to be the residential proportion subtracted from 100% (since all new development is either residential or commercial in this model).

Average Value: Residential/Commercial ($/sqft)
This value describes the average value per finished square foot of new residential/commercial development, as it would be measured by the Assessor's Office.

Tax Rate
This value describes the tax rate on the development based on the development's assessed value. The total amount a developmment is taxed is the tax rate multiplied by its assessed value.

Town Cost to Serve Residential/Commercial Development ($/sqft)
The increase in costs to the Town of Brookline per square foot of new development. These costs mainly stem from increases in educational spending to accomodate for increases in school-age population.

Starting Address Number/Ending Address Number
This allows users to enter additional streets to apply the economic development to, from the starting address to the ending address. They will be included in addition to any neighborhoods selected.

Minimum New Area to Develop (sqft)
This allows users to deteremmine that a property will not be developed upon unless the net amount of square feet is greater than the minimum new area to develop.

Minimum New FAR to Develop
This allows users to deteremmine that a property will not be developed upon unless the net FAR change is greater than the minimum new FAR to develop.

Residential Tax Value After Property Owner Exemption (%)
This allows users to deteremmine what the tax value of residential land is after accounting for the property owner exemption.. The default value is the average tax value of residential property after the exemption for Brookline in FY 2020.

Fixed Costs ($)
This allows users to set a fixed cost under a redevelopment proposal.

Disclaimer

This model shows the potential square footage and potential revenues of economic development for any area of Brookline. This model is not a prediction for how much will be actually developed. This model shows the maximum allowable development under economic development situations. Actual development will be contingent on many factors not accounted for in this model.

Brookline Potential Economic Development

Potential Revenue Calculator Details Report

Calculator

This model shows the potential square footage and potential revenues of economic development for any area of Brookline. This model is not a prediction for how much will be actually developed. This model shows the maximum allowable development under economic development situations. Actual development will be contingent on many factors not accounted for in this model.

Prefilled values are default values for Beacon Street, backed by research detailed under the "Report" section (/static/Executive%20Summary.pdf), though these values can be changed as the user sees fit.

Parameters

FAR
10

Average Value: Residential ($/sq. ft.)
600

Average Value: Commercial ($/sq. ft.)
580

SHOW/HIDE ADVANCED PARAMETERS

Plot Utilization Rate (%)

Average Value: Commercial ($/sq. ft.)

580

SHOW/HIDE ADVANCED PARAMETERS

Plot Utilization Rate (%)

100

Residential Proportion of New Development (%)
Commercial Proportion = 100% - Residential

100

Residential Tax Rate (%)

0.945

Commercial Tax Rate (%)

1.553

Town Cost to Serve Residential Development ($/sq. ft.)

1.35

Town Cost to Serve Commercial Development ($/sq. ft.

0

Minimum New Area to Develop (sq. ft.)

0

Minimum New FAR Needed to Develop

0

Residential Tax Value After Property Owner Exemption (

87.4

Fixed Costs ($)

0

0

Residential Tax Value After Property Owner Exemption (

87.4

Fixed Costs ($)

0

Select Areas to apply model (not mutually exclusive):

- Beacon Street (Entire Corridor)
- Coolidge Corner
- St. Mary's
- Washington Square
- Cleveland Circle
- Boston University/Commonwealth Ave.
- Brookline Village
- Chestnut Hill
- JFK Crossing

Select zones to apply model:

- Residential
- Commercial

Add Custom Addresses (optional)

ADD CUSTOM ADDRESS RANGE

SUBMIT

Exhibit C

Fiscal Impact Related Studies & Reports – Due Diligence Review

Brookline Studies & Reports

Town of Brookline FY 2021 Financial Plan

Public Schools of Brookline (PSB) Demographic Study Report
Cropper GIS; 2019

Public Schools of Brookline 2017-18 Enrollment Projection Report
Brookline Enrollment Working Group; April 2018

Report to the Select Board of the 2017 Override Study Committee
April 2018

Tall Building Survey Student Generation Ratios – Brookline MA
Dept. of Planning & Community Development & PSB – February 2017

Fiscal Impact Analysis Mixed Use Waldo Street Brookline MA
Chestnut Hill Realty Consultant - July 2016

The Economic Impact of Enrollment Growth on the Brookline Public Schools
Override Study Subcommittee Report; Lee Selwyn; 2014

Other Municipal Fiscal Impact Reports

Multifamily Market and Fiscal Analysis City of Marlborough, MA
RKG Associates - June 2017

Fiscal Impact Analysis Northland Newton Lower Falls Development
Fougere Planning & Development, Inc. - August 2018
Peer Review – RKG Associates - December 2018

Fiscal Impact Analysis Multi-Family Development 20 Corporate Drive Burlington MA
Connery Associates - July 2015

"The Governor's Dilemma" Harvard Business School Case Study re Affordable Housing
Charles Wu, et. al. - May 2020

Fiscal Impact Analysis: Methods, Cases, and Intellectual Debate
Zenia Kotval & John Mullin; Lincoln Institute of Land Policy - 2006

DATA INPUT SPREADSHEET

This spreadsheet is designed to provide data inputs for the Fiscal Impact Model developed by the Harvard College Consulting Group (HCCG). The assumptions in this draft spreadsheet are illustrative for format only and subject to further review and input.

Background: The HCCG Fiscal Impact Model (FIM) allows the user to project the fiscal impact of alternative redevelopment (AKA "up-zoning") scenarios for a designated area within the Town of Brookline MA. The FIM uses the Assessor's data base to input parcel addresses, parcel sizes, and existing building gross square feet (GSF). The user can assign a new maximum floor area (FAR) ratio for the designated area, determine the feasibility of redevelopment based on minimum FAR and SF thresholds, and designate a percentage allocation between commercial and residential property type for new development. The user would also input assumptions for the assessed valuation, tax rates, and municipal service costs for newly developed commercial and residential property. The FIM calculates the fiscal contributions of potential new development net of existing buildings.

This spreadsheet is intended to supplement the HCCG FIM data inputs for assessed valuation (A/V) and municipal service cost by property type, incorporating weighted average assumptions based on a designated percentage mix of various residential and commercial property types as described below. To provide compatibility with the HCCG FIM and between commercial and residential property, all metrics have been translated into gross square feet.

Assessed Valuation Per GSF of Residential Space: The user can specify the projected A/V per GSF for six different multi-family residential categories: Condominum Low-Rise (e.g., attached townhouses or garden apartments comprising 2 - 3 floors), Condominium Mid-Rise ("stick on podium" buildings 4 - 6 floors), and Condominium High-Rise (buildings 7 floors + / > 75 feet in height subject to Mass. High Rise Building Code), Apartment Low-Rise, Apartment Mid-Rise, and Apartment High-Rise. Adjustments can be made for unit size, common area factor, percentage and income category of Affordable Housing Units (based on the HUD Area Median Index schedule), associated parking requirements, and motor vehicle excise tax revenue. The current Residential tax rate is $9.45 per $1,000 of A/V.

Assessed Valuation Per GSF of Commercial Space: The user can specify the projected A/V per GSF for five different commercial property types including general office, medical office, life science, retail/restaurant, and hotel. Adjustments can be made for associated parking ratios, personal property tax revenue, and in the case of hotels, the room occupancy excise tax. The current Commercial tax rate is $15.53 per $1,000 of A/V.

Municipal Cost Per GSF of Residential Space: The user can specify the projected cost per GSF of Town services for new residential development incorporating assumptions of school age children per unit, annual cost per student (net of Ch. 70 State aid), and other municipal services. Data is based on the Town's "fully loaded" annual budget for FY21 and enrollment data from the Cropper GIS Report. The cost of Education, Library and Recreation services are allocated 100% to Residential property. The fully loaded budget allocates certain debt service, capital improvements, and retirement system payments to Town departments.

Municipal Cost Per GSF of Commercial Space: The user can specify the projected cost per GSF of Town services for new commerical development. Data is based on Town's fully loaded annual budget for FY21.

Worksheets Attached:

Assessed Valuation Assumptions - Residential
Assessed Valuation Assumptions - Commercial
Municipal Cost Assumptions - Residential
Municipal Cost Assumptions - Commercial
Summary Matrix - Fiscal Model Data Inputs
Up-Zoning Mixed-Use - Sample Scenario
Budget Worksheet
Building Square Feet Summary by Tax Classification

Limitations and Qualifications - updated December 1, 2020

This spreadsheet is intended to supplement the Harvard College Consulting Group Fiscal Impact Model (HCCG FIM) by refining data inputs for assessed valuation and municipal service cost by property type. The spreadsheet allows the user to generate weighted average assumptions based on a designated percentage mix of various residential and commercial property types that encompass a range of valuation and municipal costs.

The HCCG FIM and this spreadsheet are designed to be used as a long-range land use planning tool to analyze zoning options for Brookline over the next decade. As such, the model can provide "ballpark" projections for incremental municipal revenues and expenses for various up-zoning scenarios, including alternative land uses and density for designated areas of Brookline.

The following limitations and qualifications of the FIM should be noted:

Development Evaluation Criteria: Fiscal impact analysis is one of several criteria that should be used in the evaluation of redevelopment options and zoning policy within the Town. Other factors include neighborhood compatibility (scale and use), public safety, vehicle / bicycle / pedestrian traffic circulation, open space, architectural quality, housing affordability, shadow impacts, climate sustainability, and commercial area vitality.

Economic Impact Analysis: The FIM does not attempt to quantify the overall impact of new development on the Town's economy, including job creation, the benefit of additional customers for local businesses, and increased miscellaneous Town revenues such as meals tax or parking meter fees.

Site Specific Analysis: The FIM is not intended to project the fiscal impact of a specific development proposal on a specific site. The estimated fiscal impact of a specific redevelopment proposal should incorporate known components of the development plan, including the proposed use, scale, and parking ratios; and for residential development the unit mix of proposed multi-family building(s).

Public Schools of Brookline (PSB) Facilities Plans: The FIM incorporates an estimate of annual municipal costs for new multi-family development based in part on the projected school age children per household (the so-called "SAC" ratio). However, it does not include projected incremental capital costs for new or expanded facilities for the PSB. Total operating budgets and facilities plans for the PSB incorporate several factors in addition to new development; these include demographic trends such as birth rates and household size; immigration patterns influenced by federal policies; and PSB policies related to classroom size, district boundaries for K-8 schools, staffing plans, and collective bargaining agreements. At this time data for SAC ratios in Brookline is limited; further research is needed to confirm the appropriate ratios specific to the Town's multi-family housing inventory.

Tax Exempt Institutions and PILOT Agreements: Buildings that are owned and occupied by non-profit organizations such as universities and hospitals are exempt from local property tax. Excluding Town owned facilities, approximately 8% of total building gross square feet in Brookline is classified as Exempt (see attached Building SF Summary work sheet). The FIM is based on projecting property taxes by applying the Residential or Commercial tax rate to the full assessed valuation of new building GSF in the designated area. It does not incorporate new development or an acquisition by tax exempt institutions that may enter into Payments in Lieu of Taxes (PILOT) agreements. Note that if a property is deemed to be tax exempt due to nonprofit ownership and an exempt use, the tax that would otherwise be paid is shifted to the other taxpayers within the same property class.

Affordable Housing: This spreadsheet allows the user to designate the percentage of total units and the depth of subsidy of Affordable Housing Units (AHUs) in projecting a weighted average assessed valuation for multi-family housing. The categories for AHU's are based on affordability schedules created by the Department of Housing & Urban Development (HUD) and the Massachusetts Housing Partnership (MHP). These schedules provide maximum rents and sale prices for various levels of household Area Median Income (AMI), as adjusted by utility allowances published by the Brookline Housing Authority. This spreadsheet assumes new development of apartments will include 15% of units rented at the 50% AMI schedule, and 15% of condominium units would be sold at the 80% AMI price schedule. This formula is based on a recent revision to the Brookline Inclusionary Zoning By-Law (IZBL), as authorized under MGL Chapter 40A. (The new formula in the IZBL alternatively allows a developer to provide Work Force Housing priced at the 120% AMI schedule in concert with a contribution to the Town's Affordable Housing Trust Fund; this option is not incorporated into the FIM). The formula for multi-family housing built under MGL Chapter 40B provides for a higher percent of AHU's.

Age Restricted Housing: This spreadsheet includes projected municipal cost for multi-family housing that incorporates an estimate of school age children (SAC) per household. The model can be adjusted to incorporate housing restricted to residents age 55+ by reducing the SAC assumption to zero. A corresponding increase to the estimate for public safety costs (EMT calls, etc.) may be warranted.

BROOKLINE MA FISCAL IMPACT MODEL

Data Input Assumptions - HCCG Fiscal Impact Model
Note: Cells in Blue = User Assumptions; Cells in Black = Calculated Values

Assessed Valuations - Residential

Property Type - Multi-Family Residential	**Condominium**				
			Condo Low Rise (5) (2 - 3 Floors)	**Condo Mid Rise (6)** (4 to 6 Floors)	**Condo High Rise (7)** (7 Floors +)
A Assessed Valuation Per GSF					
Average Unit Size With Parking					
Useable SF Per Unit			1,800	1,300	1,300
Common Area Add-On Factor			1.10	1.23	1.23
Gross Square Feet (GSF) Per Unit			1,980	1,600	1,600
Parking Space # Per Unit	GSF Per Space		1.50	1.50	1.50
Parking Space GSF Per Unit	300		450	450	450
Total GSF Per Unit			2,430	2,050	2,050
Assessed Value Per GSF Primary Use (1)	% Total Units	A/V % of Market			
Market Rate Units	85.0%	100.0%	$700	$750	$800
Affordable Units @ 100% AMI	0.0%	75.0%	$525	$525	$525
Affordable Units @ 80% AMI	15.0%	50.0%	$350	$350	$350
Affordable Units @ 50% AMI	0.0%	25.0%	$175	$175	$175
Weighted Average A/V Per GSF Primary Use	100.0%		$648	$690	$733
Assessed Value Per GSF Parking Area (2)			$216	$230	$244
Weighted Average A/V Per GSF			$568	$589	$625
B Residential Exemption Adjustment					
Percentage of Owner Occupants Principal Residence (3)			57.60%	57.60%	57.60%
Residential Exemption Amount Per Unit (3)			$292,060	$292,060	$292,060
Avg. Residential Exemption Adjusting for Owner Occupancy			$168,227	$168,227	$168,227
Average Reduction in Assessed Value Per GSF (4)			See footnote	See footnote	See footnote
C Motor Vehicle Excise Tax					
Motor Vehicles Per Unit			1.50	1.50	1.50
Average Taxable Value Per Vehicle			$20,000.00	$20,000.00	$20,000.00
Tax Rate ($25 Per $1,000 Value)			2.50%	2.50%	2.50%
MV Excise Tax Per Unit			$750.00	$750.00	$750.00
MV Excise Tax Per GSF			$0.31	$0.37	$0.37
Residential Tax Rate Per $1,000			9.45	9.45	9.45
Assessed Value Add On Per GSF			$32.66	$38.71	$38.71
D Adjusted Weighted Average A/V Per GSF			**$600**	**$628**	**$664**

Footnotes

1 *Assumes 15% Affordable Housing Units per proposed amended Inclusionary Zoning By-Law*
2 *Parking area assessed value as percent of primary use =* 33%
3 *Residential exemption per unit FY20 set by Board of Assessors; five year average of eligible condominium units =* 57.60%
4 *Residential exemption reductions in A/V are off-set by an increase (shift) within the Residential tax rate; total Town revenues are not affected by the residential exemption.*
5 *Low rise buildings such as attached single family townhouses or garden apartments; could be a transitional section of mixed-use project adjacent to residential area*
6 *Stick on podium style buildings*
7 *Mass. High Rise Building Code applies to buildings >75 feet in height*

Apartment

		Apt. Low Rise (5) (2 - 3 Floors)	**Apt. Mid Rise (6)** (4 to 6 Floors)	**Apt. High Rise (7)** (7 Floors +)
		1,800	900	900
		1.10	1.22	1.22
		1,980	1,100	1,100
		1.50	1.00	1.00
		450	300	300
		2,430	1,400	1,400
% Total Units	A/V % of Market			
85.0%	100.0%	$600	$650	$700
0.0%	75.0%	$525	$525	$525
0.0%	50.0%	$350	$350	$350
15.0%	25.0%	$175	$175	$175
100.0%		$536	$579	$621
		$179	$193	$207
		$470	$496	$532
		Not Applicable	Not Applicable	Not Applicable
		1.50	1.00	1.00
		$10,000.00	$10,000.00	$10,000.00
		2.50%	2.50%	2.50%
		$375.00	$250.00	$250.00
		$0.15	$0.18	$0.18
		9.45	9.45	9.45
		$16.33	$18.90	$18.90
		$486	**$515**	**$551**

Data Input Assumptions - HCCG Fiscal Impact Model

Note: Cells in Blue = User Assumptions; Cells in Black = Calculated Values

Assessed Valuations - Commercial

Property Type - Commercial		General Office	Medical Office	Life Science	Retail / Restaurant (3)	Hotel (4)
A Parking Ratios & GSF						
Gross SF Per Required Parking Space		1,000	1,000	1,000	1,000	1,000
Parking Space Per 1,000 GSF	GSF Per Space	2.50	3.00	2.00	2.00	0.77
Parking Space GSF Per 1,000 SF Primary Use	300	750	900	600	600	231
Total GSF - Primary Use + Parking Area		1,750	1,900	1,600	1,600	1,231
B. Assessed Valuation						
Assessed Value Per GSF Primary Use		$750	$800	$900	$800	$750
Assessed Value Per GSF Parking Area (1)		$248	$264	$297	$264	$248
Weighted Average A/V Per GSF		$535	$546	$674	$599	$656
C Personal Property Tax Add On						
Personal Property (FF&E) Per GSF (2)		$10	$15	$20	$20	$30
D Occupancy Excise Tax Add On (4)						
Assessed Value Occupancy Tax Add-On		Not Applicable	Not Applicable	Not Applicable	Not Applicable	$372
D Adjusted Weighted Average A/V Per GSF		**$545**	**$561**	**$694**	**$619**	**$1,058**

Footnotes

1 Parking area A/V as percent of primary use = 33%

2 Personal property tax rate same as commercial tax rate

3 Includes grade level direct entry tenants - retail, restaurants, professional services, personal services, and medical offices.

4 Assumptions below; assumes limited service hotel brand

Hotel Occupancy Excise Tax

Rooms & Parking Spaces Per 1,000 GSF		Comments
Common Area Factor	1.4	Includes lobbies, corridors, stairs, elevators, fitness, offices, laundry, utilies, storage, etc.
Useable SF Per 1,000 GSF	714	
Average Room Size	325	
Number of Rooms Per 1,000 GSF	2.2	
Parking Spaces Per Room	0.35	
Parking Spaces Per 1,000 GSF	0.77	
Revenue & Excise Tax Per GSF		
Average Daily Room Rate	$200	Includes seasonal variations of rack rate, frequent guest awards, corporate rates, etc.
Occupancy Rate	60.0%	
Revenue Per Available Room (RevPAR)	$120	
Daily Room Revenue Per 1,000 GSF	$264	
Annual Room Revenue Per 1,000 GSF	$96,264	
Occupancy Excise Tax Rate	6.0%	
Occupancy Excise Tax Per 1,000 GSF	$5,776	
Occupancy Excise Tax Per GSF	$5.78	
Occupancy Tax A/V Add-On Factor		
Occupancy Excise Tax Per GSF	$5.78	
Commercial Tax Rate Per $1,0000	15.53	
Assessed Value Occupancy Tax Add-On	$372	

BROOKLINE MA FISCAL IMPACT MODEL

Data Input Assumptions - HCCG Fiscal Impact Model

Note: Cells in Blue = User Assumptions; Cells in Black = Calculated Values; see Budget Worksheet

Municipal Expenses - Multi-Family Residential	**Condominium**			**Apartment**		
Property Type	**Condo Low Rise (4)** (2 - 3 Floors)	**Condo Mid Rise (5)** (4 to 6 Floors)	**Condo High Rise (6)** (7 Floors +)	**Apt. Low Rise (4)** (2 - 3 Floors)	**Apt. Mid Rise (5)** (4 to 6 Floors)	**Apt. High Rise** (7 Floors +)
A Public School Expenses						
Useable SF Per Unit	1,800	1,300	1,300	1,500	900	900
Common Area Add-On Factor	1.10	1.23	1.23	1.22	1.22	1.22
Gross SF Per Unit	1,980	1,600	1,600	1,833	1,100	1,100
Parking Space Per Unit	1.50	1.50	1.50	1.50	1.00	1.00
Parking Space GSF Per Unit	450	450	450	450	300	300
Total GSF Per Unit	2,430	2,050	2,050	2,283	1,400	1,400
School Age Children (SAC) Per Unit	0.30	0.20	0.20	0.15	0.10	0.10
Annual Cost Per Student (1)	$22,745	$22,745	$22,745	$22,745	$22,745	$22,745
Annual Cost Per Unit	$6,824	$4,549	$4,549	$3,412	$2,275	$2,275
Annual Cost Per GSF	**$2.81**	**$2.22**	**$2.22**	**$1.49**	**$1.62**	**$1.62**
B Non-School Municipal Expenses (2)						
Cultural Resources - Recreation & Library (3)	$0.10	$0.10	$0.10	$0.10	$0.10	$0.10
General Government	$0.13	$0.13	$0.13	$0.13	$0.13	$0.13
Public Works	$0.25	$0.25	$0.25	$0.25	$0.25	$0.25
Public Safety	$0.59	$0.59	$0.59	$0.59	$0.59	$0.59
Town Collective Bargining	$0.04	$0.04	$0.04	$0.04	$0.04	$0.04
Reserves	$0.10	$0.10	$0.10	$0.10	$0.10	$0.10
Non-School Debt	$0.10	$0.10	$0.10	$0.10	$0.10	$0.10
Non-School Benefits	$0.62	$0.62	$0.62	$0.62	$0.62	$0.62
Community Services	$0.05	$0.05	$0.05	$0.05	$0.05	$0.05
Subtotal	**$1.97**	**$1.97**	**$1.97**	**$1.97**	**$1.97**	**$1.97**
C Combined Total Municipal Expenses Per GSF	**$4.78**	**$4.19**	**$4.19**	**$3.47**	**$3.60**	**$3.60**

Footnotes:

1 *Average Cost per student based on FY21 budget divided by total enrollment; Marginal Cost per student TBD - requires input from PSB SC and executive staff*
2 *Excludes Water & Sewer fees paid through enterprise fund*
3 *Allocated 100% to Residential; total cost excludes golf course expenses paid through enterprise fund and Recreation Dept. revolving fund*
4 *Attached single family townhouses*
5 *Stick on podium style buildings*
6 *Mass. High Rise Building Code applies to buildings >75 feet in height*

Data Input Assumptions - HCCG Fiscal Impact Model

Note: Cells in Blue = User Assumptions; Cells in Black = Calculated Values; see Budget Worksheet

Municipal Expenses - Commercial

Property Type	General Office	Medical Office	Life Science	Retail / Restaurant	Hotel
Municipal Expenses (1)					
Education (2)	$0.00	0.00	0.00	$0.00	$0.00
Cultural Resources - Recreation & Library (2)	$0.00	0.00	0.00	$0.00	$0.00
General Government	$0.02	0.02	0.02	$0.02	$0.02
Public Works	$0.03	0.03	0.03	$0.03	$0.03
Public Safety	$0.08	0.08	0.08	$0.08	$0.08
Town Collective Bargining	$0.01	0.01	0.01	$0.01	$0.01
Reserves	$0.01	0.01	0.01	$0.01	$0.01
Non-School Debt	$0.01	0.01	0.01	$0.01	$0.01
Non-School Benefits	$0.08	0.08	0.08	$0.08	$0.08
Community Services	$0.01	0.01	0.01	$0.01	$0.01
Total Per GSF	**$0.24**	**$0.24**	**$0.24**	**$0.24**	**$0.24**

Footnotes:

1 *Excludes Water & Sewer fees paid through enterprise fund*

2 *Allocated 100% to Residential; total cost excludes golf course expenses paid through enterprise fund and Recreation Dept. revolving fund*

BROOKLINE MA FISCAL IMPACT MODEL

Data Inputs for Harvard College Consulting Group Fiscal Impact Model - Summary Matrix

Note: Cells in Blue = User Assumptions; Cells in Black = Calculated Values; see AV and Budget Worksheets

Revenue Assumptions

Property Type - Multi-Family Residential	**Adjusted A/V Per GSF (1)**	**Tax Rate**	**Tax Revenue Per GSF**
Condominium Low Rise (2 - 3 Floors)	$600	0.945%	$5.67
Condominium Mid Rise (4 - 6 Floors)	$628	0.945%	$5.93
Condominium High Rise (7 Floors +)	$664	0.945%	$6.27
Apartment Low Rise (2 - 3 Floors)	$486	0.945%	$4.60
Apartment Mid Rise (4 - 6 Floors)	$515	0.945%	$4.87
Apartment High Rise (7 Floors +)	$551	0.945%	$5.21

Property Type - Commercial	**Adjusted A/V Per GSF (1)**	**Tax Rate**	**Tax Revenue Per GSF**
General Office	$545	1.553%	$8.46
Medical Office	$561	1.553%	$8.71
Life Science	$694	1.553%	$10.78
Retail / Restaurant	$619	1.553%	$9.61
Hotel	$1,058	1.553%	$16.43

Municipal Cost Assumptions	**School Costs Per GSF**	**Other Municipal Costs / GSF**	**Total Cost Per GSF**
Property Type - Multi-Family Residential			
Condominium Low Rise (3 Floors)	$2.81	$1.97	$4.19
Condominium Mid Rise (4 - 6 Floors)	$2.22	$1.97	$4.19
Condominium High Rise (7 Floors +)	$2.22	$1.97	$3.47
Apartment Low Rise (3 Floors)	$1.49	$1.97	$3.60
Apartment Mid Rise (4 - 6 Floors)	$1.62	$1.97	$3.60
Apartment High Rise (7 Floors +)	$1.62	$1.97	$3.60
Property Type - Commercial			
General Office	$0.00	$0.24	$0.24
Medical Office	$0.00	$0.24	$0.24
Life Science	$0.00	$0.24	$0.24
Retail / Restaurant	$0.00	$0.24	$0.24
Hotel	$0.00	$0.24	$0.24

Net Fiscal Impact Per GSF (1)

Property Type - Multi-Family Residential	**Net Per GSF**
Condominium Low Rise (2 - 3 Floors)	$1.48
Condominium Mid Rise (4 - 6 Floors)	$1.74
Condominium High Rise (7 Floors +)	$2.81
Apartment Low Rise (2 - 3 Floors)	$1.00
Apartment Mid Rise (4 - 6 Floors)	$1.27
Apartment High Rise (7 Floors +)	$1.61

Property Type - Commercial	**Net Per GSF**
General Office	$8.22
Medical Office	$8.48
Life Science	$10.54
Retail / Restaurant	$9.38
Hotel	$16.19

Footnotes:

1 Gross square feet includes primary use and associated parking; A/V adjusted for applicable personal property and excise taxes

Data Inputs for HCCG Fiscal Impact Model

Note: Cells in Blue = User Assumptions; Cells in Black = Calculated Values; see AV and Budget Worksheets

Up-Zoning Mixed-Use Scenario: Life Science Work - Live District

Property Type - Multi-Family Residential	% of New Development	% of Residential	Adjusted A/V Per GSF (1)	Tax Rate	Tax Revenue Per GSF	Municipal Cost Per GSF	Net Fiscal Impact Per GSF
Condominium Low Rise (2 - 3 Floors)	0.0%	0.0%	$600	0.945%	$5.67	$4.78	$0.89
Condominium Mid Rise (4 - 6 Floors)	10.0%	25.0%	$628	0.945%	$5.93	$4.19	$1.74
Condominium High Rise (7 Floors +)	10.0%	25.0%	$664	0.945%	$6.27	$4.19	$2.08
Apartment Low Rise (2 - 3 Floors)	0.0%	0.0%	$486	0.945%	$4.60	$3.47	$1.13
Apartment Mid Rise (4 - 6 Floors)	10.0%	25.0%	$515	0.945%	$4.87	$3.60	$1.27
Apartment High Rise (7 Floors +)	10.0%	25.0%	$551	0.945%	$5.21	$3.60	$1.61
Subtotal	40.0%	100.0%					
Weighted Average Residential Development			**$589**	**0.945%**	**$5.57**	**$3.89**	**$1.68**
Property Type - Commercial	**% of New Development**	**% of Commercial**					
General Office	5%	8.3%	$545	1.553%	$8.46	$0.24	$8.22
Medical Office	10%	16.7%	$561	1.553%	$8.71	$0.24	$8.48
Life Science	40%	66.7%	$694	1.553%	$10.78	$0.24	$10.54
Retail / Restaurant	5%	8.3%	$619	1.553%	$9.61	$0.24	$9.38
Hotel	0%	0.0%	$1,058	1.553%	$16.43	$0.24	$16.19
Subtotal	60%	100.0%					
Weighted Average Commercial Development			**$653**	**1.553%**	**$10.14**	**$0.24**	**$9.90**

Footnotes:

1 Gross SF includes primary use and associated parking; A/V adjusted for applicable personal property and excise taxes

BROOKLINE MA FISCAL IMPACT MODEL

Data Input Assumptions - HCCG Fiscal Impact Model

Note: Cells in Blue = User Assumptions; Cells in Black = Calculated Values

Municipal Expenses - Town Budget Worksheet

Expense Allocation

Property Type	Building SF	% of Total
Residential	43,786,469	81.6%
Commercial & Industrial	5,558,648	10.4%
Exempt (Institutional Excluding Town Owned Buildings)	4,340,636	8.1%
Total	53,685,753	100.0%

Source: Brookline Assessor's Office - August 2020

TOWN OF BROOKLINE FULLY ALLOCATED FY2021 GENERAL FUND OPERATING BUDGET

Source: Town of Brookline FY2021 Financial Plan Section II Budget Summaries & Town Meeting Approved Budget

Total General Fund Operating Budget $316,861,658

Allocations	Amount	% Total	Cost Per GSF	Allocation Per GSF To: Residential	Commercial	Institutional
Education (3)	$188,532,687	59.5%	$3.512	$3.512	$0.000	$0.000
Cultural Resources - Recreation & Library (3)	$5,386,648	1.7%	$0.100	$0.100	$0.000	$0.000
General Government	$8,872,126	2.8%	$0.165	$0.135	$0.017	$0.013
Public Works	$16,159,945	5.1%	$0.301	$0.246	$0.031	$0.024
Public Safety	$38,973,984	12.3%	$0.726	$0.592	$0.075	$0.059
Town Collective Bargining	$2,851,755	0.9%	$0.053	$0.043	$0.006	$0.004
Reserves	$6,337,233	2.0%	$0.118	$0.096	$0.012	$0.010
Non-School Debt	$6,337,233	2.0%	$0.118	$0.096	$0.012	$0.010
Non-School Benefits	$40,558,292	12.8%	$0.755	$0.616	$0.078	$0.061
Community Services	$3,168,617	1.0%	$0.059	$0.048	$0.006	$0.005
Total Allocations (1)	**$317,178,520**	**100.1%**	**$5.91**	**$5.48**	**$0.24**	**$0.19**
			Less PSB Costs (2)	-$3.51	$0.00	$0.00
			Non-School Costs	**$1.97**	**$0.24**	**$0.19**

Footnotes:

1 *Variance due to rounding in Financial Plan pie chart*
2 *PSB cost estimate based on Student Age Children (SAC) generated by new MF residential development; see Municipal Expenses worksheet*
3 *Allocated 100% to Residential*

Average Cost Per Student FY21

Total Education Cost	$188,532,687
Total K-12 Student Enrollment in PSB (1)	7,615
Average Education Expenditure Per Student	$24,758
Less: Mass. Ch. 70 State Aid Per Student (2)	($2,013)
Adjusted Average Education Cost Per Student	$22,745

Marginal Cost Per Student FY21 (3)

Estimated Marginal to Average Cost Ratio	TBD
Estimated Marginal Cost	TBD

Footnotes:

1 *Public Schools of Brookline Demographic Study Report 2019 - Cropper GIS*
2 *Brookline Financial Plan FY21; estimate of Chapter 70 aid*
3 *Marginal cost per student TBD; requires input from PSB SC & executive staff*

TOWN OF BROOKLINE MA

BUILDING SQUARE FEET BY TAX CLASSIFICATION	Total Without Town Owned Bldgs.		Total With Town Owned Bldgs.	
Classification	**Building SF**	**% Of Total SF**	**Building SF**	**% Of Total SF**
Residential	42,384,769	78.9%	42,384,769	76.2%
Mixed Use Residential (1)	1,401,700	2.6%	1,401,700	2.5%
Residential Subtotal	**43,786,469**	**81.6%**	**43,786,469**	**78.7%**
Commercial & Industrial	4,682,271	8.7%	4,682,271	8.4%
Industrial	69,708	0.1%	69,708	0.1%
Mixed Use Commercial (1)	806,669	1.5%	806,669	1.4%
Commercial Subtotal	**5,558,648**	**10.4%**	**5,558,648**	**10.0%**
Exempt (2)	3,951,550	11.0%	5,913,101	10.6%
Mixed Use Exempt (1)	389,086	0.7%	389,086	0.7%
Exempt Subtotal	**4,340,636**	**8.1%**	**6,302,187**	**11.3%**
Total Excluding Town Owned Buildings	**53,685,753**	**100.0%**	**55,647,304**	**100.0%**

Source: Town of Brookline Mass. - Assessor's Office - August 2020

Footnotes:

(1) Mixed use buildings include majority occupancy of principal use with minor occupancy of secondary use (e.g., apartment building with ground level retail)

(2) Buildings owned and occupied by non-profit organizations including private schools, churches, synagouges, etc.

(3) Town owned buildings (schools, Town Hall, police, fire, etc.) total square feet = 1,961,551

RKG

Town of Brookline, MA

Fiscal Impact Analysis

Preliminary Analysis Update

January 2025

DRAFT



Fiscal Impact Analysis Overview & Methodology

FISCAL IMPACT MODEL METHODOLOGY

A fiscal impact analysis estimates the municipal revenues and costs associated with new development. Revenues include local taxes (property, excise, etc.) and various fees and other payments, while costs include the provision of municipal services (public safety, education, public works, general government, etc.). While several approaches exist to determine fiscal impacts, all are based on the common assumption that current local operating costs and revenues are the best basis for determining future costs and revenues. These approaches therefore utilize recent data on municipal service costs in the host community, as well as current tax rates and other revenue sources to calculate the net fiscal impact.

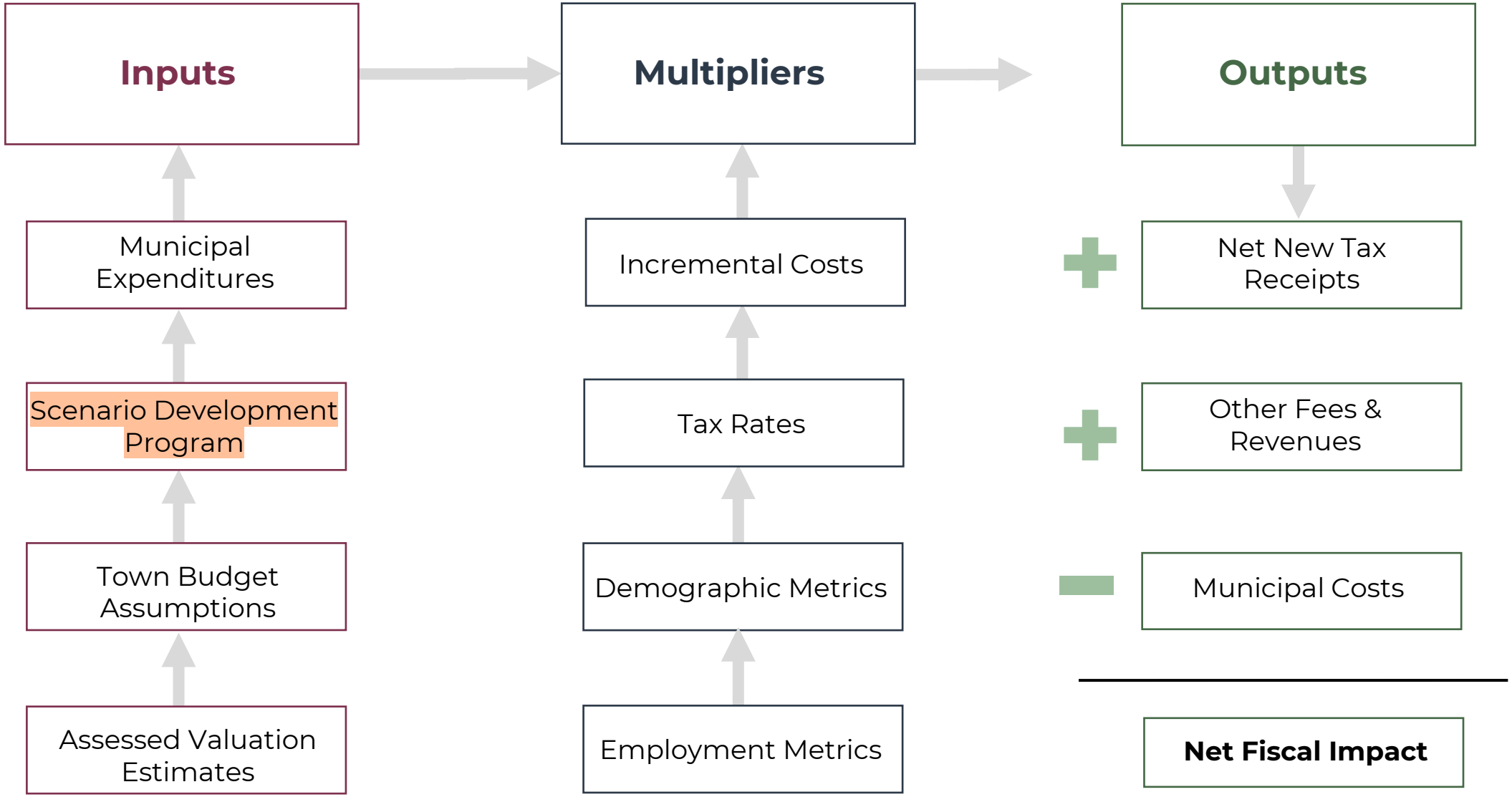
The primary focus is on the town's General Fund since that is typically where tax revenues and most municipal service costs are accounted. RKG applied an incremental cost approach to Brookline's General Fund budget which covers both town costs and school costs. From there, we can determine the costs borne by the town resulting from both residential and commercial development. The approach involves looking at the individual line-items in the town's budget to determine if an expenditure is either fixed or incremental. Fixed costs are costs which would occur irrespective of development, an example being the salary of the Police Chief, this is unlikely to be impacted by new development. Conversely, the costs associated with police officer wages and equipment are classified as incremental as they are likely to change based on the addition of more residents in town that may result from new residential development.

Fiscal impact approaches are 'static', that is, they assume that the project or scenario is fully built-out and development is occupied. This assumption allows a comparison of the financial effect of the entire scenario on municipal costs and revenues. While larger-scale developments are often constructed over a multi-year period, municipal costs and revenues occur in equal proportions, therefore this steady-state approach does not detract from the appropriateness or accuracy of this method. It should also be noted that the fiscal impact analysis is only concerned with local public costs and expenditures, and not with state or other jurisdictional funding.

The diagram on the next page illustrates at a high level the flow of information and inputs that go into RKG's fiscal impact model.

Development Program - site assembly assumptions?

FISCAL IMPACT MODEL FLOW



FISCAL IMPACT MODEL ASSUMPTIONS

To test the fiscal impacts of a development scenario, RKG Associates constructed a fiscal impact model to understand the potential tax revenues from new development compared to the municipal and school costs to support that development. The fiscal impact model relies on numerous data points and assumptions regarding potential revenues from the development and anticipated municipal and school costs.

To estimate municipal revenues, RKG utilized the town's most recent FY25 property tax rate and constructed an income-based valuation model to determine a future assessed value. RKG used data from CoStar to calculate rents, vacancy rates, and cap rates and information from our prior financial analyses to estimate sale prices and operating expenses.

For municipal and school costs, RKG was provided with the town's FY25 municipal budget spreadsheet covering all departments and municipal costs. Each line item in the budget was assigned a value of fixed or incremental to derive per household and per employee costs in the fiscal impact model.

KEY MODEL ASSUMPTIONS

- Town tax rates
- Assessed valuation assumptions
- Incremental governmental expenditures
  - General government
  - Police
  - Fire
  - Public works
  - Facilities
  - Recreation
  - Library
  - Council on Aging
  - Schools
  - Other
- Student generation rates per residential unit
- Development scenario inputs

FISCAL IMPACT MODEL ASSUMPTIONS

NOI - Operating expense less RET

To derive potential property taxes, RKG had to develop estimates for future assessed values. RKG utilized an income-based approach to valuation which calculates an estimated Net Operating Income (NOI) for all rentable property types and a cap rate to generate an estimate of assessed value for tax purposes. This approach was recommended by the Town's Assessor during an interview with RKG for this project.

RKG utilized an estimated sales value per square foot for condominiums based on our prior work conducting financial modeling for the town.

The tables on the right illustrate some of the values that go into calculating the estimated assessed value for each land use class.

To calculate the assessed value, a valuation is created for each component of the development program. From there, RKG applied the town's FY2e residential tax rates of $9.87 per $1,000 in value for residential and $16.56 per $1,000 for non-residential to derive total gross property taxes.

MF rents a mix of market and affordable?

ASSESSED VALUE ASSUMPTIONS

Use Category	Gross SQFT per Unit	Rent per SQFT	Value per Unit
Market Rate Studio Apts	560	$4.85	$392,304
Market Rate One Bed Apts	725	$4.00	$418,800
Market Rate Two Bed Apts	1,000	$4.00	$577,200
Market Rate Three Bed Apts	1,300	$3.50	$656,400
Market Rate Condominiums	1,525	$1,100	$1,677,500

Use Category	Rent per SQFT	Value per SQFT
Office	$37.00	$382
Retail	$44.00	$649
Lab/Life Science	$85.00	$704
Industrial	$26.00	$303

Use Category	RevPAR	Value per Room
Hotel	$174	$388,132

ESTIMATING MUNICIPAL COSTS

The flip side to the property tax/revenue component of the fiscal impact model are the municipal service costs. To estimate municipal service costs, RKG reviewed the town's FY25 line-item budget for each department. Within each department's budget, RKG identified costs that are likely to increase with the addition of a new household or employee in town (incremental costs). We anticipate costs such as police staff salaries, library expenditures, or maintenance of recreation fields to increase with new households or employees while a department head's salary or hours for Town Counsel to experience little to no impact (fixed costs).

RKG identified all costs that are likely to vary (incremental costs) with the addition of new development as a subset of the Town's total operational budget. Our variable costs account for 13% of the Town's departmental budgets as of the date of this analysis *(further refinement is likely in the coming weeks)*.

The "Other" category accounts for items such as debt service, unemployment, retirement, benefits, and insurance. RKG is planning to have follow up discussions with town finance staff to determine the appropriate allocation of these line items to new households, particularly as it applies to new employees that may be needed over time.

Once the incremental budget is established, it must be apportioned to residential and non-residential uses to properly account for the impact of residential and non-residential development. For that we use a breakout of assessed value from the MA Department of Revenue (DOR) which shows 90.8% of Brookline's assessed value driven by residential with 9.2% driven by commercial/industrial/ personal property.

Incremental Costs by Town Department (FY25)

Use Category	Total Budget	Incremental Budget	% of Total
General Gov't	$14,849,278	$1,703,720	11%
Public Works	$18,813,557	$1,440,730	8%
Police	$19,167,445	$13,413,431	70%
Fire	$19,144,688	$15,934,820	83%
Facilities	$12,261,034	$79,966	1%
Recreation	$1,207,130	$69,420	6%
Library	$4,082,166	$581,557	14%
Council on Aging	$1,250,256	$34,826	3%
Other	$168,699,289	$265,148	0%
TOTALS	**$259,474,843**	**$33,523,618**	**13%**

Source: Town of Brookline FY25 Budget, RKG Associates.

Assessed Value by Property Class (FY25)

Class	Value	% of Total
Residential	$29,951,077,622	90.8%
Commercial/Industrial/Personal Prop.	$3,040,443,552	9.2%
Total	**$32,991,521,174**	**100.0%**

Source: MA DOR 2025, RKG Associates.

Why allocate any costs for schools, library, recreation, aging to Commercial uses? Allocate other costs based on GSF not value.

ESTIMATED MUNICIPAL COSTS

After calculating the incremental costs by department and the share of the incremental budget allocated to residential uses, we must calculate municipal costs on a per occupied housing unit basis. This forms the basis of our estimates for calculating future costs of the residential development under each scenario.

The cost allocation table by residential use to the right summarizes the calculations used to estimate the per unit costs. The incremental budget for impacted departments is aggregated into nine primary cost categories:

- General Gov't
- Public Works
- Police
- Fire
- Facilities
- Recreation
- Library
- Council on Aging
- Other

The incremental budget for each cost category is multiplied by the residential share of total assessed value on the prior page and then divided by the total number of occupied housing units in Brookline. This formula provides the incremental costs that new housing units may generate.

The municipal costs for each scenario can then be compared to the gross property tax revenues described on the prior pages to begin the process of calculating the net fiscal impact to the town from each development scenario.

Total Households in Brookline

Category	Totals
Total Occupied Housing Units	27,210

Source: US Census 2019-2023 Estimates.

Incremental Cost per Unit

Cost Category	Residential Incremental Budget	Cost per Unit
General Gov't	$1,546,978	$57
Public Works	$1,308,183	$48
Police	$12,179,395	$448
Fire	$14,468,817	$532
Facilities	$72,609	$3
Recreation	$63,033	$2
Library	$528,054	$19
Council on Aging	$31,622	$1
Other	$240,754	$9
TOTALS	**$30,439,445**	**$1,119**

Source: Town of Brookline FY25 Budget, RKG Associates.

ESTIMATED MUNICIPAL COSTS

A similar approach is taken to estimate the costs for non-residential development. Here we estimate on a per employee/per job basis using the total number of jobs in Brookline as the allocation factor.

Once we have a total cost per new employee, we can then estimate the number of new employees a non-residential development program may add in Brookline. This is done using square feet of space per employee metrics for different types of non-residential uses. For this model, RKG utilized the following multipliers:

- Office – 1 per 200 SF
- Retail – 1 per 200 SF
- Lab/Life Science – 1 per 200 SF
- Industrial – 1 per 750 SF
- Hotel – 1 per 2,300 SF

New employees not likely to be incremental residents of Brookline.

Total Households in Brookline

Category	Totals
Total Employees in Brookline	17,247

Source: EOLWD, ES-202 Job Data, Q2 2024.

Incremental Cost per Unit

Cost Category	Non-Residential Incremental Budget	Cost per Employee
General Gov't	$156,742	$9
Public Works	$132,547	$8
Police	$1,234,036	$72
Fire	$1,466,003	$85
Facilities	$7,357	$0
Recreation	$6,387	$0
Library	$53,503	$3
Council on Aging	$3,204	$0
Other	$24,394	$1
TOTALS	**$3,084,173**	**$179**

Source: Town of Brookline FY25 Budget, RKG Associates.

ESTIMATING EDUCATION COSTS

Recognizing education costs are often the single largest line item in a town's budget, RKG developed estimates for the number of school aged children that could result from the addition of each residential unit in the development scenarios and an incremental cost per pupil. School costs, like municipal costs, are then deducted from the gross property tax estimates for each scenario to project the net fiscal impact of the development in each scenario.

The industry standard for developing estimates for new school children is to use school aged children (SAC) ratios that are applied to new development on a per unit basis. To develop the SAC ratios for Brookline's model, RKG reviewed several prior studies and models that were conducted for the town and the school department dating back to as early as 2016. The range of SAC ratios from each of those prior studies is shown in the table to the right. *These have not been vetted with school department or town staff but will be prior to running any formal scenarios for the town.*

Like municipal costs, RKG calculated an incremental education cost specific to Brookline's school budget based on the FY2025 budget information. Developing an incremental per pupil school cost utilizes the same process described in the municipal cost section. For example, RKG would consider the superintendent's salary or a high school principal's salary as a fixed cost (not likely to increase with new students), but would consider new textbooks, equipment, teachers, aides, or transportation costs to be incremental (would likely increase with new students). This analysis is only concerned with incremental costs as it is highly unlikely Brookline would hire another superintendent or high school principal if enrollment increased as a result of new multifamily development.

Using local General Fund expenditures only (net of state aid and grants), the estimated incremental cost to educate a child in the Brookline School District was **$14,246**. This accounts for 73**%** of the full cost to educate a child in Brookline of **$19,443**. The full cost is equivalent to taking the entire local school budget divided by the total enrollment (benefits are not accounted for in the school side of the budget but are part of the Other category in municipal costs). The incremental cost only takes those costs that are likely to increase with new students divided by the total enrollment.

By multiplying the local cost to educate a child by the number of school children in each scenario we can estimate total education costs. These costs, along with municipal costs, are then then netted against the gross property tax revenue for each scenario later in this analysis.

STUDENT RATIO ASSUMPTIONS

Unit Type	2016 Brookline Demographic Study	2016 Brookline Tall Building Survey	2021 Brookline Fiscal Impact Building Model
Studio Apt	0.00	0.14	0.00
1 Bed Apt	0.08	0.14	0.00
2 Bed Apt	0.49	0.14	0.25
3 Bed Apt	0.85	0.14	0.35
Condo/Townhome	N/A	0.14	0.14

Source: Town of Brookline, Brookline Public School District.

Budget Category	FY25 Incremental School Budget	% of Total School Budget	Per Pupil Cost
All Budgeted Expenditures	$136,862,619	73%	$14,246
Totals	**$136,862,619**	**73%**	**$14,246**

Source: Brookline Town Budget, FY2025.

Account for replacement cost reserve?
Driscoll, FRR, Pierce = 60-70 years old?



Fiscal Impact Model Demo

(The following slides do not represent an actual development proposal. Edits to the model are still in progress)

ESTIMATING IMPACTS – HYPOTHETICAL DEVELOPMENT SCENARIO

To test the fiscal impact model, RKG ran a hypothetical development scenario to show the estimate of the potential revenues and costs of new development. The table below describes the development scenario by each land use category.

Hypothetical Development Scenario

Use Type	Units/Rooms	SF
Multifamily Apartments	150	0
For-Sale Condominiums	0	0
For-Sale Townhomes	0	0
Office	0	35,000
Retail	0	30,000
Lab/Life Science	0	0
Hotel	135 Rooms	0
Industrial	0	0

SUMMARY OF RESULTS

The table shown below illustrates the results of the fiscal impact analysis for the hypothetical development scenario. The overall findings show a **net positive** fiscal impact on the town's finances with revenues covering the incremental municipal and school costs. One thing worth noting is that new multifamily development on its own would not result in a net positive fiscal impact due to the student generation rates being used in this model (2016 PSB Demographic Report). If this model were to use the student generation rates from the 2021 Fiscal Impact Building Model, the multifamily component would generate over $200,000 in net new property tax revenue to the town.

Net Fiscal Impact = Gross Property Tax Revenue + Vehicle Excise Tax + CPA tax – Total Municipal Costs – Total School Costs

Net Fiscal Impact Summary (2025 Dollars)
Brookline, MA

Project Estimated Residential Real Property Taxes	$661,977
Project Est. Commercial Real & Personal Property Taxes	$1,411,260
Estimated Local Rooms Tax	$514,431
Estimated Motor Vehicle Taxes	$56,250
NET NEW ANNUAL MUNICIPAL REVENUES	$2,129,487
Residential Costs of Municipal Services	$167,803
Commercial Costs of Municipal Services	$59,119
Projected Costs of Public Schools	$626,834
NET NEW ANNUAL MUNICIPAL COSTS	$853,755
NET NEW ANNUAL MUNICIPAL SURPLUS/(DEFICIT)	**$1,275,732**
Estimated CPA Taxes	$20,732

Source: RKG Associates 2025

Brookline Fiscal Impact Analysis

Brookline, MA

January 2025

RKG

Town of Brookline, MA
Fiscal Impact Analysis

DRAFT

Analysis Update & Scenario Results
March 2025



Fiscal Impact Analysis Updates

FISCAL IMPACT MODEL UPDATES

1. RKG worked closely with the Town's Assessor to check assumptions on the income-based assessed valuation model to ensure consistency with the town's own approach. This resulted in some changes to the assumptions in the model including OPEX adjustments and the inclusion of the residential exemption on for-sale units.

2. RKG worked closely with planning staff to develop an updated set of student generation rates for the model. The per unit ratios were adjusted to reflect three school years' worth of student data from several residential projects in Brookline that reflect a range in the number of units and unit mix.

3. RKG worked closely with the Deputy Town Administrator to review and incorporate benefit and retirement costs associated with both town and school employees. The fiscal impact model now accounts for 35% of the benefit costs for current employees as well as those who have retired.

ESTIMATING MUNICIPAL COSTS – RESIDENTIAL

Incremental Costs by Town Department (FY25)

Use Category	Town Budget	Incremental Budget	% of Total
General Gov't	$14,849,278	$1,703,720	11%
Public Works	$18,813,557	$1,440,730	8%
Police	$19,167,445	$13,413,431	70%
Fire	$19,144,688	$15,934,820	83%
Facilities	$12,261,034	$79,966	1%
Recreation	$1,207,130	$69,420	6%
Library	$4,082,166	$581,557	14%
Council on Aging	$1,250,256	$34,826	3%
Other	$142,032,792	$7,841,107	6%
TOTALS	**$232,808,346**	**$41,099,577**	**18%**

Source: Town of Brookline FY25 Budget, RKG Associates.

Incremental Cost per Unit

Cost Category	Residential Incremental Budget	Cost per Unit
General Gov't	$1,546,978	$57
Public Works	$1,308,183	$48
Police	$12,179,395	$448
Fire	$14,468,817	$532
Facilities	$72,609	$3
Recreation	$63,033	$2
Library	$528,054	$19
Council on Aging	$31,622	$1
Other	$7,119,725	$262
TOTALS	**$37,318,416**	**$1,371**

Source: Town of Brookline FY25 Budget, RKG Associates.

ESTIMATED MUNICIPAL COSTS – NON-RESIDENTIAL

Incremental Costs by Town Department (FY25)

Use Category	Total Budget	Incremental Budget	% of Total
General Gov't	$14,849,278	$1,703,720	11%
Public Works	$18,813,557	$1,440,730	8%
Police	$19,167,445	$13,413,431	70%
Fire	$19,144,688	$15,934,820	83%
Facilities	$12,261,034	$79,966	1%
Recreation	$1,207,130	$69,420	6%
Library	$4,082,166	$581,557	14%
Council on Aging	$1,250,256	$34,826	3%
Other	$142,032,792	$7,841,107	6%
TOTALS	**$232,808,346**	**$41,099,577**	**18%**

Source: Town of Brookline FY25 Budget, RKG Associates.

Incremental Cost per Unit

Cost Category	Non-Residential Incremental Budget	Cost per Employee
General Gov't	$156,742	$9
Public Works	$132,547	$8
Police	$1,234,036	$72
Fire	$1,466,003	$85
Facilities	$7,357	$0
Recreation	$6,387	$0
Library	$53,503	$3
Council on Aging	$3,204	$0
Other	$721,382	$42
TOTALS	**$3,781,161**	**$219**

Source: Town of Brookline FY25 Budget, RKG Associates.

ESTIMATING EDUCATION COSTS

STUDENT RATIO ASSUMPTIONS

Unit Type	2025 Student Estimates Lower End	2025 Student Estimates Higher End
Studio Apt	0.00	0.00
1 Bed Apt	0.15	0.20
2 Bed Apt	0.15	0.20
3 Bed Apt	0.15	0.20
Condo/Townhome	0.15	0.20

Source: Town of Brookline

COSTS PER STUDENT

Budget Category	FY25 Incremental School Budget	% of Total School Budget	Per Pupil Cost
All Budgeted Expenditures	$163,529,116	67%	$15,572
Totals	**$163,529,116**	**67%**	**$15,572**

Source: Town of Brookline FY25 Budget



Fiscal Impact Model Scenarios

ESTIMATING IMPACTS –DEVELOPMENT SCENARIOS

The table below illustrates five different scenarios provided by Town staff. Three are associated with the different iterations of the City Realty property/proposal. The fourth scenario illustrates a recent effort by the EDAB Subcommittee on a minimum viability scenario for the same property. The fifth scenario is the hypothetical development scenario presented by RKG Associates at the prior meeting.

Development Scenarios

Use Type	CR Scenario 1	CR Scenario 2	CR Scenario 3	EDAB Scenario	RKG Hypothetical Scenario
Multifamily Apartments	217 Units	291 Units	295 Units	99 Units	165 Units
For-Sale Condominiums	158 Units	133 Units	93 Units	83 Units	100 Units
Age Restricted Units	293 Units	0 Units	0 Units	0 Units	0 Units
Medical Office	79,000 SF	116,000 SF	0 SF	80,000 SF	56,000 SF
Retail	105,000 SF	97,000 SF	51,000 SF	35,000 SF	18,000 SF
Hotel	200 Rooms	225 Rooms	152 Rooms	181 Rooms	100 Rooms

SUMMARY OF RESULTS
CR SCENARIO 1

Development Scenario

Use Type	CR Scenario 1
Multifamily Apartments	217 Units
For-Sale Condominiums	158 Units
Age Restricted Units	293 Units
Medical Office	79,000 SF
Retail	105,000 SF
Hotel	200 Rooms

*For the purposes of this scenario, age restricted housing was run through the model using multifamily apartment assumptions minus school costs.

Lower SAC Ratio Scenario

Higher SAC Ratio Scenario

Net Fiscal Impact Summary (2025 Dollars)
Brookline, MA

Project Estimated Residential Real Property Taxes	$3,998,429
Project Est. Commercial Real & Personal Property Taxes	$2,696,433
Estimated Local Rooms Tax	$762,120
Estimated Motor Vehicle Taxes	$250,500
NET NEW ANNUAL MUNICIPAL REVENUES	$7,707,482
Residential Costs of Municipal Services	$916,160
Commercial Costs of Municipal Services	$198,250
Projected Costs of Public Schools	$840,896
NET NEW ANNUAL MUNICIPAL COSTS	$1,955,306
NET NEW ANNUAL MUNICIPAL SURPLUS/(DEFICIT)	**$5,752,176**
Estimated CPA Taxes	$66,949

Net Fiscal Impact Summary (2025 Dollars)
Brookline, MA

Project Estimated Residential Real Property Taxes	$3,998,429
Project Est. Commercial Real & Personal Property Taxes	$2,696,433
Estimated Local Rooms Tax	$762,120
Estimated Motor Vehicle Taxes	$250,500
NET NEW ANNUAL MUNICIPAL REVENUES	$7,707,482
Residential Costs of Municipal Services	$916,160
Commercial Costs of Municipal Services	$198,250
Projected Costs of Public Schools	$1,121,195
NET NEW ANNUAL MUNICIPAL COSTS	$2,235,605
NET NEW ANNUAL MUNICIPAL SURPLUS/(DEFICIT)	**$5,471,877**
Estimated CPA Taxes	$66,949

SUMMARY OF RESULTS
CR SCENARIO 2

Development Scenario

Use Type	CR Scenario 1
Multifamily Apartments	291 Units
For-Sale Condominiums	133 Units
Age Restricted Units	0 Units
Medical Office	116,000 SF
Retail	97,000 SF
Hotel	225 Rooms

Lower SAC Ratio Scenario

Higher SAC Ratio Scenario

Net Fiscal Impact Summary (2025 Dollars)
Brookline, MA

Project Estimated Residential Real Property Taxes	$2,761,341
Project Est. Commercial Real & Personal Property Taxes	$2,988,346
Estimated Local Rooms Tax	$857,385
Estimated Motor Vehicle Taxes	$159,000
NET NEW ANNUAL MUNICIPAL REVENUES	$6,766,072
Residential Costs of Municipal Services	$581,514
Commercial Costs of Municipal Services	$227,033
Projected Costs of Public Schools	$934,329
NET NEW ANNUAL MUNICIPAL COSTS	$1,742,876
NET NEW ANNUAL MUNICIPAL SURPLUS/(DEFICIT)	**$5,023,195**
Estimated CPA Taxes	$57,497

Net Fiscal Impact Summary (2025 Dollars)
Brookline, MA

Project Estimated Residential Real Property Taxes	$2,761,341
Project Est. Commercial Real & Personal Property Taxes	$2,988,346
Estimated Local Rooms Tax	$857,385
Estimated Motor Vehicle Taxes	$159,000
NET NEW ANNUAL MUNICIPAL REVENUES	$6,766,072
Residential Costs of Municipal Services	$581,514
Commercial Costs of Municipal Services	$227,033
Projected Costs of Public Schools	$1,245,772
NET NEW ANNUAL MUNICIPAL COSTS	$2,054,319
NET NEW ANNUAL MUNICIPAL SURPLUS/(DEFICIT)	**$4,711,752**
Estimated CPA Taxes	$57,497

SUMMARY OF RESULTS
CR SCENARIO 3

Development Scenario

Use Type	CR Scenario 1
Multifamily Apartments	295 Units
For-Sale Condominiums	93 Units
Age Restricted Units	0 Units
Medical Office	0 SF
Retail	51,000 SF
Hotel	152 Rooms

Lower SAC Ratio Scenario

Higher SAC Ratio Scenario

Net Fiscal Impact Summary (2025 Dollars)
Brookline, MA

Project Estimated Residential Real Property Taxes	$2,330,824
Project Est. Commercial Real & Personal Property Taxes	$1,449,349
Estimated Local Rooms Tax	$579,211
Estimated Motor Vehicle Taxes	$145,500
NET NEW ANNUAL MUNICIPAL REVENUES	$4,504,885
Residential Costs of Municipal Services	$532,141
Commercial Costs of Municipal Services	$61,472
Projected Costs of Public Schools	$856,468
NET NEW ANNUAL MUNICIPAL COSTS	$1,450,081
NET NEW ANNUAL MUNICIPAL SURPLUS/(DEFICIT)	**$3,054,803**
Estimated CPA Taxes	$37,802

Net Fiscal Impact Summary (2025 Dollars)
Brookline, MA

Project Estimated Residential Real Property Taxes	$2,330,824
Project Est. Commercial Real & Personal Property Taxes	$1,449,349
Estimated Local Rooms Tax	$579,211
Estimated Motor Vehicle Taxes	$145,500
NET NEW ANNUAL MUNICIPAL REVENUES	$4,504,885
Residential Costs of Municipal Services	$532,141
Commercial Costs of Municipal Services	$61,472
Projected Costs of Public Schools	$1,136,767
NET NEW ANNUAL MUNICIPAL COSTS	$1,730,380
NET NEW ANNUAL MUNICIPAL SURPLUS/(DEFICIT)	**$2,774,505**
Estimated CPA Taxes	$37,802

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SUMMARY OF RESULTS
EDAB SCENARIO

Development Scenario

Use Type	CR Scenario 1
Multifamily Apartments	99 Units
For-Sale Condominiums	83 Units
Age Restricted Units	0 Units
Medical Office	80,000 SF
Retail	35,000 SF
Hotel	181 Rooms

Lower SAC Ratio Scenario

Higher SAC Ratio Scenario

Net Fiscal Impact Summary (2025 Dollars)
Brookline, MA

Project Estimated Residential Real Property Taxes	$1,362,252
Project Est. Commercial Real & Personal Property Taxes	$2,206,981
Estimated Local Rooms Tax	$689,719
Estimated Motor Vehicle Taxes	$68,250
NET NEW ANNUAL MUNICIPAL REVENUES	$4,327,201
Residential Costs of Municipal Services	$249,612
Commercial Costs of Municipal Services	$119,779
Projected Costs of Public Schools	$420,448
NET NEW ANNUAL MUNICIPAL COSTS	$789,840
NET NEW ANNUAL MUNICIPAL SURPLUS/(DEFICIT)	**$3,537,362**
Estimated CPA Taxes	$35,692

Net Fiscal Impact Summary (2025 Dollars)
Brookline, MA

Project Estimated Residential Real Property Taxes	$1,362,252
Project Est. Commercial Real & Personal Property Taxes	$2,206,981
Estimated Local Rooms Tax	$689,719
Estimated Motor Vehicle Taxes	$68,250
NET NEW ANNUAL MUNICIPAL REVENUES	$4,327,201
Residential Costs of Municipal Services	$249,612
Commercial Costs of Municipal Services	$119,779
Projected Costs of Public Schools	$545,025
NET NEW ANNUAL MUNICIPAL COSTS	$914,417
NET NEW ANNUAL MUNICIPAL SURPLUS/(DEFICIT)	**$3,412,785**
Estimated CPA Taxes	$35,692

SUMMARY OF RESULTS
RKG SCENARIO

Development Scenario

Use Type	CR Scenario 1
Multifamily Apartments	165 Units
For-Sale Condominiums	100 Units
Age Restricted Units	0 Units
Medical Office	56,000 SF
Retail	18,000 SF
Hotel	100 Rooms

Lower SAC Ratio Scenario

Higher SAC Ratio Scenario

Net Fiscal Impact Summary (2025 Dollars)
Brookline, MA

Project Estimated Residential Real Property Taxes	$1,841,088
Project Est. Commercial Real & Personal Property Taxes	$1,317,086
Estimated Local Rooms Tax	$381,060
Estimated Motor Vehicle Taxes	$99,375
NET NEW ANNUAL MUNICIPAL REVENUES	$3,638,610
Residential Costs of Municipal Services	$363,447
Commercial Costs of Municipal Services	$77,728
Projected Costs of Public Schools	$591,742
NET NEW ANNUAL MUNICIPAL COSTS	$1,032,916
NET NEW ANNUAL MUNICIPAL SURPLUS/(DEFICIT)	**$2,605,694**
Estimated CPA Taxes	$31,582

Net Fiscal Impact Summary (2025 Dollars)
Brookline, MA

Project Estimated Residential Real Property Taxes	$1,841,088
Project Est. Commercial Real & Personal Property Taxes	$1,317,086
Estimated Local Rooms Tax	$381,060
Estimated Motor Vehicle Taxes	$99,375
NET NEW ANNUAL MUNICIPAL REVENUES	$3,638,610
Residential Costs of Municipal Services	$363,447
Commercial Costs of Municipal Services	$77,728
Projected Costs of Public Schools	$794,180
NET NEW ANNUAL MUNICIPAL COSTS	$1,235,354
NET NEW ANNUAL MUNICIPAL SURPLUS/(DEFICIT)	**$2,403,256**
Estimated CPA Taxes	$31,582

FISCAL IMPACT SUMMARY TABLE BY SCENARIO

The table below illustrates the net fiscal impact of each of the five scenarios.

Scenario Name	Low SAC Ratio Scenario	Higher SAC Ratio Scenario
CR Scenario 1	$5,752,176	$5,471,877
CR Scenario 2	$5,023,195	$4,711,752
CR Scenario 3	$3,054,803	$2,774,505
EDAB Scenario	$3,537,362	$3,412,785
RKG Scenario	$2,605,694	$2,403,256

RKG ASSOCIATES INC

Brookline Fiscal Impact Analysis - Updates

Brookline, MA

March 2025

DRAFT for Discussion

12.10.25

Re: RKG FISCAL IMPACT MODEL FOR CHESTNUT HILL WEST

PRELIMINARY QUESTIONS LIST
J. Doggett, S. Modigliani

Sent to Michael Rubenstein and Meredith Moody, Planning Staff
Responded to by Kara Brewton on 12.12 reporting she is seeking information from RKG

p. 4: The Town Budget parts and total at $232M appears straight from the FY25 Budget Book; how was the Incremental Budget derived?
p. 4: the Residential Incremental Budget + the p. 5 Non-Residential Incremental Budget add to the Incremental Budget shown on p.4, but how were each of those derived?
p. 4: the Cost per Unit is presumed to be based on 27,140 units (by doing the math) ; these appear to then represent the number of households in Brookline - an address. The ensuing math in the Cost per Unit column exhibits some small variations around this figure, which is not explained. Why the variations?
p. 5: Is the Budget split based on the residential vs. commercial tax levy, so in the same proportion? Which proportion - addresses or amount contributed to the levy?
p. 5: what is the basis of the “Cost per Employee”. Is this like the number of employees in a Hotel or a Store? But the Hotels vary in size from 100-200 rooms, and so does Commercial, but they used just one figure? This particular metric is unknown to me and not seen in many other similar studies.
p. 6: student ratio assumptions are identical in both the Lower and Higher scenarios across all Unit Types. This seems surprising and not supported by our own Town data. Source?
P. 6: Cost per student figure? DESE reports around around $30K per student. The “Incremental School Budget, shown as $163M and the 67% appear to translate to a total of around $244M? And, the Cost per pupil looks to off by a factor of two at $15K per pupil. Is that because the extra student at the margin does not cost the full load? Basis for this analysis?

Fiscal Impact Models

- It's an art, not a science
- Department interviews are critical to understand impact of any particular scenario, to the extent possible
- Town decisions based on fiscal impacts alone could result in fair housing challenges
- Fiscal Impact Analysis reports often have caveats about 5-6 year time period after establishment
- RKG model allows for Town staff to test a variety of scenarios (students, unit mix, use type, estimated employees, students per unit by unit type, costs, revenues, sharing revenues or costs across use types, etc.)
- Beware of platitudes – ranges of likely outcomes are highly recommended!

Fiscal Impact Models

Table 1A
Proposed Development Program
Brookline, MA

Use Type	Units	Square Feet	Ave SF/Unit
Multifamily Apartments	120	185,000	1233.333
For-Sale Condominiums	125	323,490	2070.336
For-Sale Townhomes	0	0	
Office	0	230,000	
Retail	0	60,000	includes 2K
Lab/Life Science	0	0	
Hotel	0	176,510	
Industrial	0	0	
TOTAL	**245**	**975,000**	975000

Source: City Realty Presentation 9/15/25

Total Site	
FAR	4.194396287
% Commercial	0.478471795
FAR without hotel	3.435059991

Total Land

94142	
47861	
78720	
11730	
232453	5.336387 acres

Table 1B
Proposed Residential Development Program
Brookline, MA

Use Type	100% Occupancy (Units)	95% Occupancy (Units)
TOTAL MF UNITS	**120**	**114**
Market Rate Units	**102**	**97**
Studio Apt	10	10
1 Bedroom Apt	46	44
2 Bedroom Apt	36	34
3 Bedroom Apt	10	10
For-Sale Condominium	106	106
Townhome	0	0
Affordable Units	**18**	**17**
Studio Apt	2	2
1 Bedroom Apt	8	8
2 Bedroom Apt	6	6
3 Bedroom Apt	2	2
For-Sale Condominium	19	19
Townhome	0	0
TOTAL	**245**	**239**

Source: RKG Associates, 2025

Multifamily Bedroom Splits	Adjust Here If Needed
Studio	10%
1 Bed	45%
2 Bed	35%
3 Bed	10%

Table 1C
Proposed Non-Residential Development Program
Brookline, MA

Use Type	100% OccupancySquare Feet/Hotel Rooms	Occupancy Rate Minus Vacancy	Square Feet/Hotel Rooms After Vacancy Factor
Office	230,000	89%	204,700
Retail	60,000	97%	58,200
Lab/Life Science	0	68%	0
Hotel	0	75%	0
Industrial	0	94%	0
TOTAL	**290,000**		**262,900**

Source: CoStar, RKG Associates, 2025



Incremental Education Cost per Student

ORG	OBJECT	ACCOUNT DESCRIPTION	ORIGINAL APPROP	REVISED BUDGET	Fixed/Increment	Fixed Cost	Incremental Co	RKG Catego
328516	510151	INSTRUCTIO	$186,733	$186,733	I	$0	$186,733	Schools
328516	521800	ONLINE BOO	$150	$150	I	$0	$150	Schools
328516	524010	PROFESSION	$620	$620	F	$620	$0	Schools
328516	524633	FIELD TRIP	$1,837	$1,837	I	$0	$1,837	Schools
328516	531050	GENERAL SU	$12,513	$12,513	I	$0	$12,513	Schools
328516	551099	ED/TRN/CON	$802	$802	I	$0	$802	Schools
328516		328516 SCIENCE LINCOLN	$202,655	$202,655		:	:	

$36,583,503

$100,279,116

Total School Budget: $163,529,116

For schools' incremental cost, then added school share of "other" expenses

Breakdown of Benefits Costs that Feed "Other" Expense Category
Brookline, MA

Est. based on interviews with Town staff,

Account	Account Name	Total Budget	Town Share	School Share	Total Town Cost	Total School Cost	Incremental Town Cost	Incremental School Cost
91209120	Worker's Comp	$2,200,000	90%	10%	$1,980,000	$220,000	$693,000	$77,000
91409150	Retiree Group Health	$5,431,980	44%	56%	$2,390,071	$3,041,909	$836,525	$1,064,668
98709140	Group Health Insurance	$38,079,210	44%	56%	$16,754,852	$21,324,358	$5,864,198	$7,463,525
98709150	Group Life Insurance	$148,652	44%	56%	$65,407	$83,245	$22,892	$29,136
98709160	Medical Disability	$40,000	100%	0%	$40,000	$0	$14,000	$0
98709170	Medicare Payments	$3,169,818	37%	63%	$1,172,833	$1,996,985	$410,491	$698,945
Totals		**$49,069,660**			**$22,403,163**	**$26,666,497**	**$7,841,107**	**$9,333,274**

Source: Town of Brookline FY25 Budget

Incremental School Budget: $109,612,390

Incremental Education Cost per Student

mislabeling & missing column on one slide of 3/2025 RKG presentation

ESTIMATING EDUCATION COSTS

This number is actually RKG's Total School Budget

STUDENT RATIO ASSUMPTIONS

Unit Type	2025 Student Estimates Lower End	2025 Student Estimates Higher End
Studio Apt	0.00	0.00
1 Bed Apt	0.15	0.20
2 Bed Apt	0.15	0.20
3 Bed Apt	0.15	0.20
Condo/Townhome	0.15	0.20

Source: Town of Brookline

COSTS PER STUDENT

Budget Category	FY25 Incremental School Budget	% of Total School Budget	Per Pupil Cost
All Budgeted Expenditures	$163,529,116	67%	$15,572
Totals	**$163,529,116**	**67%**	**$15,572**

Source: Town of Brookline FY25 Budget

Incr. School Budget: $109,612,390 (67% of Total School Budget)
Divided by In-District Enrollment: 7,039
Equals Per Pupil Cost of Local Funding: $15,572

How is the non-school budget split between commercial and residential uses?

(Not the same as levy)

Assessed Value by Property Class (FY25)

Class	Value	% of Total
Residential	$29,951,077,622	90.8%
Commercial/Industrial/Personal Prop.	$3,040,443,552	9.2%
Total	**$32,991,521,174**	**100.0%**

Source: MA DOR 2025, RKG Associates.

Incremental Municipal Cost per Unit

ESTIMATING MUNICIPAL COSTS – RESIDENTIAL

Based on number of occupied units (US Census 2023 Est. = 27,210)

90.8% of Incremental Costs attributed to new Res Units

Incremental Costs by Town Department (FY25)

Use Category	Town Budget	Incremental Budget	% of Total
General Gov't	$14,849,278	$1,703,720	11%
Public Works	$18,813,557	$1,440,730	8%
Police	$19,167,445	$13,413,431	70%
Fire	$19,144,688	$15,934,820	83%
Facilities	$12,261,034	$79,966	1%
Recreation	$1,207,130	$69,420	6%
Library	$4,082,166	$581,557	14%
Council on Aging	$1,250,256	$34,826	3%
Other	$142,032,792	$7,841,107	6%
TOTALS	**$232,808,346**	**$41,099,577**	**18%**

Source: Town of Brookline FY25 Budget, RKG Associates

Incremental Cost per Unit

Cost Category	Residential Incremental Budget	Cost per Unit
General Gov't	$1,546,978	$57
Public Works	$1,308,183	$48
Police	$12,179,395	$448
Fire	$14,468,817	$532
Facilities	$72,609	$3
Recreation	$63,033	$2
Library	$528,054	$19
Council on Aging	$31,622	$1
Other	$7,119,725	$262
TOTALS	**$37,318,416**	**$1,371**

Source: Town of Brookline FY25 Budget, RKG Associates

Incremental Costs per Employee

Table 5
Calculation of Unit Costs for Commercial Land Uses
Brookline, MA

Expense Category	FY 2025 Budget	Incremental Share of Budget	Incremental % of the Budget	Non-Residential Proportional Share @ 9.2%	Per Employee Incremental Cost
General Gov't	$14,849,278	$1,703,720	11%	$156,742	$9
Public Works	$18,813,557	$1,440,730	8%	$132,547	$8
Police	$19,167,445	$13,413,431	70%	$1,234,036	$72
Fire	$19,144,688	$15,934,820	83%	$1,466,003	$85
Facilities	$12,261,034	$79,966	1%	$7,357	$0
Recreation	$1,207,130	$69,420	6%	$6,387	$0
Library	$4,082,166	$581,557	14%	$53,503	$3
Council on Aging	$1,250,256	$34,826	3%	$3,204	$0
Other	$142,032,792	$7,841,107	6%	$721,382	$42
Total	**$232,808,346**	**$41,099,577**	**18%**	**$3,781,161**	**$219**
Total Employees (2024 Estimate)					17,247
Incremental Costs Per Employee					**$219**

Source: MA EOWLD ES-202, 2024 Annual Employment Count

Example Expenditure Scenario

One employee per 200 sq. ft. for retail/office; for hotel, one employee per 2,300 sq. ft. and 500 sq. ft. per hotel key

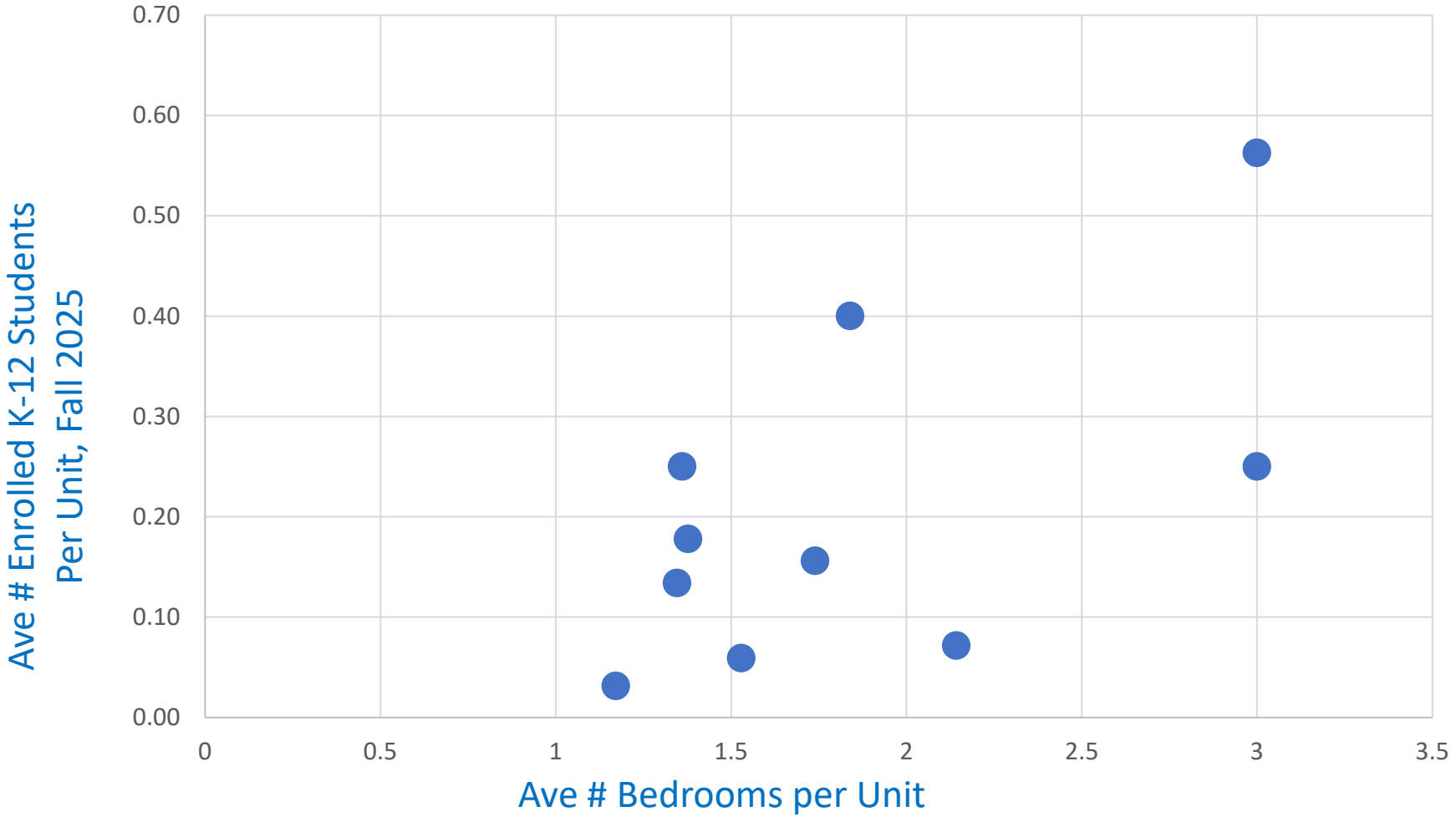
Table 8
Estimated Annual Municipal Expenditures (2024 Dollars)
Brookline, MA

Cost Category	Number	Cost	Municipal Expenditure
Residential Units	245	$1,371	$336,017
Non-Residential Employees	1,363	$219	$298,909
Public School Pupils	47	$15,572	$731,891
TOTAL			**$1,366,817**

Source: RKG Associates 2024

Ratio of Enrolled Students – New Development

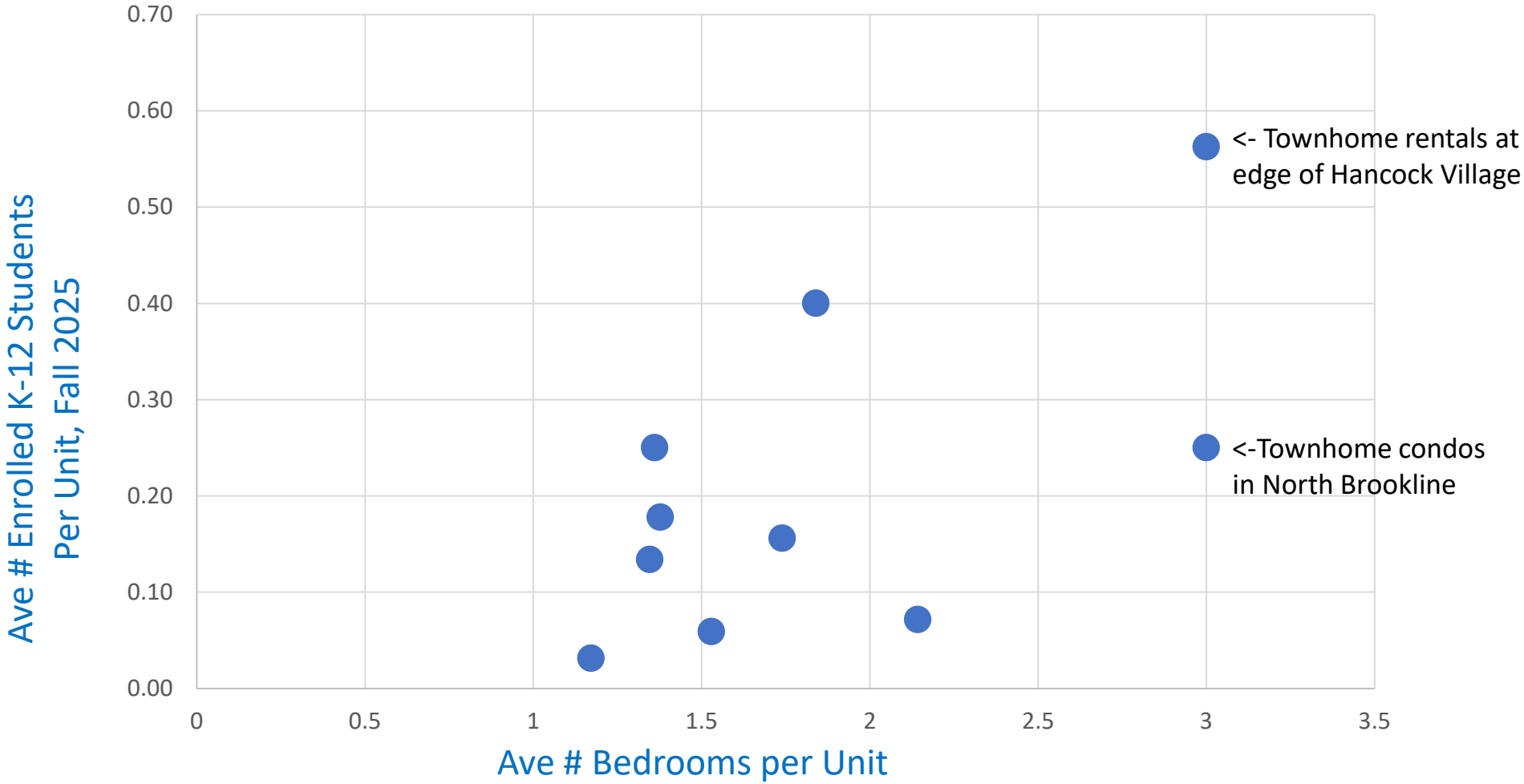
highly variable based on bedroom size alone



Town/Schools dataset includes established 8+ unit developments built since 2015, not including age-restricted or BHA properties

Ratio of Enrolled Students – New Development

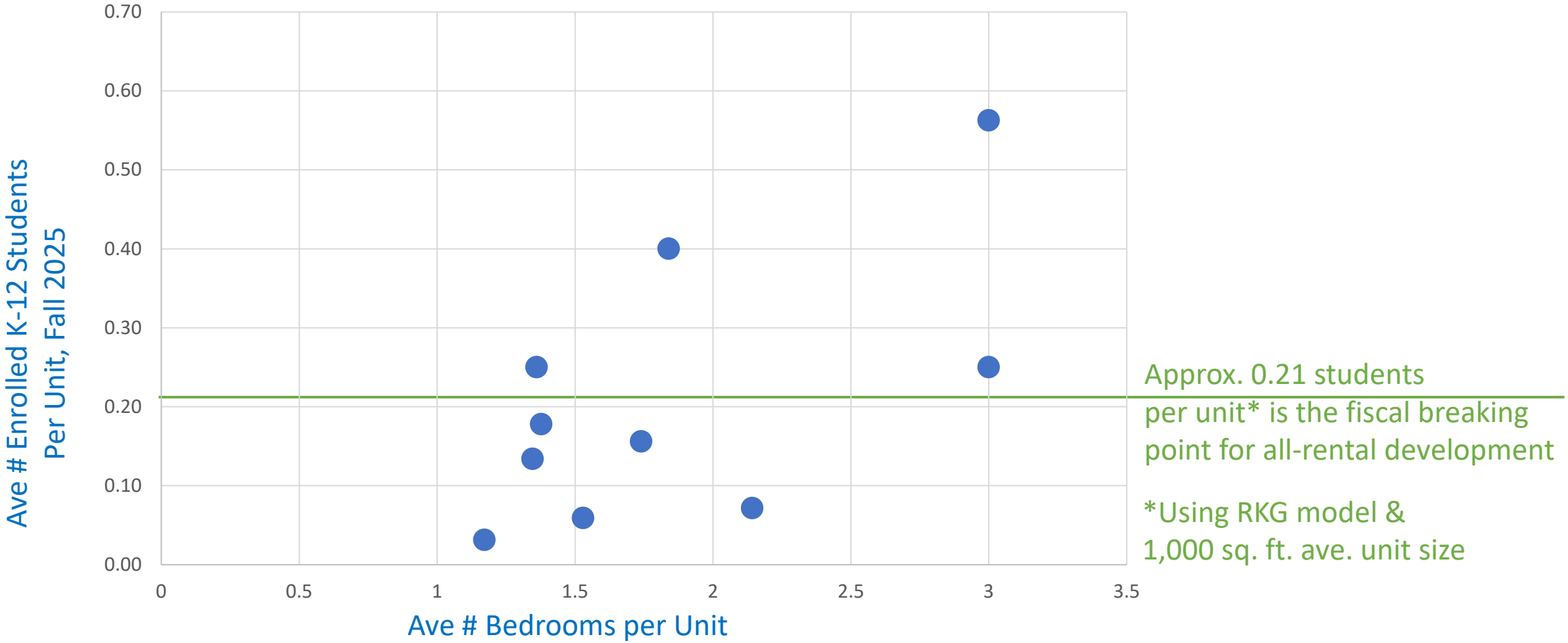
highly variable based on bedroom size alone



Town/Schools dataset includes established 8+ unit developments built since 2015, not including age-restricted or BHA properties

Ratio of Enrolled Students – New Development

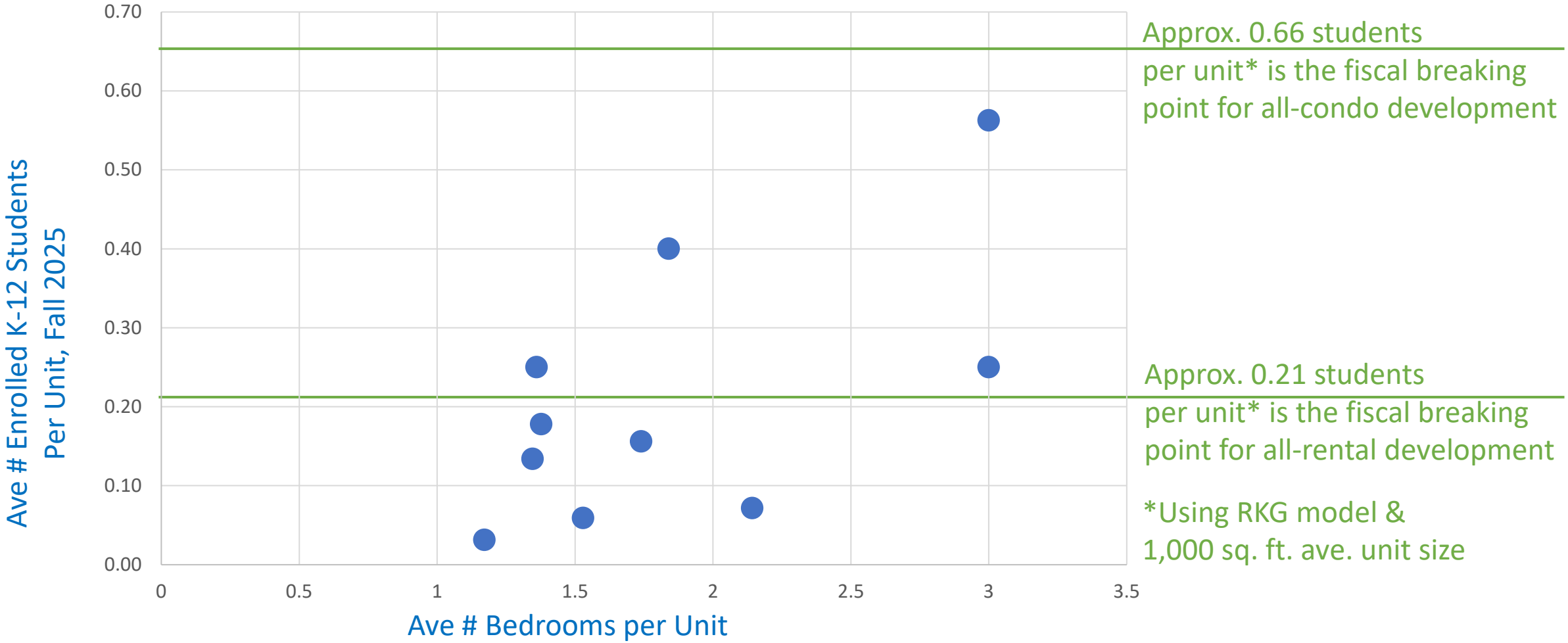
highly variable based on bedroom size alone



Town/Schools dataset includes established 8+ unit developments built since 2015, not including age-restricted or BHA properties

Ratio of Enrolled Students – New Development

highly variable based on bedroom size alone



Town/Schools dataset includes established 8+ unit developments built since 2015, not including age-restricted or BHA properties

Town of Brookline Massachusetts

Economic Development Scorecard

Successful Projects and Policies

Redevelopment Projects / ZBL Amendments

Courtyard by Marriott – Coolidge Corner: Redevelopment of a former Town parking lot into a limited-service hotel with 188 rooms plus underground parking accessible to the public.

One and Two Brookline Place – Brookline Village: The existing two-story retail building was replaced by a new nine-story office tower, a six-story parking garage, and expansion of the One Brookline Place medical office building.

Hilton Garden Inn – Brookline Village: Redevelopment of a former gas station at Route 9 and Brookline Avenue into a 174-room full-service hotel with the ground floor Punch Bowl restaurant.



Two & One Brookline Place, Hilton Garden Inn – Route 9

Homewood Suites by Hilton - Route 9: Redevelopment of the former Red Cab garage site into a 130 room suites hotel principally serving the LMA market. Overlay zoning incorporated an innovative sky-plane vertical step-back formula to minimize shadows on adjacent White Place residents to the north.



The Newbury of Brookline – Fisher Hill: Redevelopment of the former Newbury College campus into an upscale continuing care retirement community with 159 total units, including 81 independent living residences, 38 assisted living units, and 40 memory care suites. Redevelopment project combined new construction and adaptive re-use of the historic Mitton House and provided a $6.25 million payment to the Affordable Housing Trust in lieu of on-site Affordable Housing Units.



AC Marriott Hotel – Cleveland Circle: Redevelopment of the former Cleveland Circle Cinema site into a mixed-use property including the AC Marriott hotel, retail space and an upscale assisted living facility. The site straddles the Brookline / Boston line. Brookline portion of the commercial building includes hotel rooms and retail space.

Coolidge Corner Theatre Expansion – Air Rights Agreement: An air rights agreement was executed between the Town, Hamilton Realty and the CCT to facilitate the expansion completed in 2024. The additional area accommodated by the air rights agreement permitted a larger expansion project that added a total of 275 seats in two additional movie houses, an education center on the top floor, and a large board room plus a new entrance lobby off the Centre Street parking lot (below).



Land Use Policies / Tax Policies / Government Organization

Economic Development Advisory Board: EDAB was established to advise the Select Board on all matters related to economic development. Board members have a wide range of experience and expertise in commercial real estate including development, architecture, urban planning, and finance.

Small Business Development Committee: The Small Business Development Committee was established as a joint effort between the Town and the business community to evaluate ways to promote small businesses in Brookline. Committee members include small business owners, representatives from the Chamber of Commerce and EDAB, and a Select Board liaison. The Committee addresses policies related to parking,

regulatory restrictions (e.g., signage, lighting, etc.), event planning (Brookline Day, Boston Marathon), and use of public spaces, among others.

Economic Development & Long-Range Planning Division of the Planning & Community Development Department: The ED&LRP Division was established as one of three divisions, along with the Community Planning and Regulatory Planning, within the Planning Department. The ED&LRP Division is responsible for commercial development, local business growth and support, long-term planning and policy initiatives. They provide staff support for EDAB, the Small Business Development Committee and land use study committees evaluating potential zoning amendments.

Tax Certainty Agreements: In most large redevelopment projects that required up-zoning amendments, the Town has negotiated a 99-year tax certainty agreement with the developer. These agreements ensure that in the event the property is acquired by a non-profit owner-occupant the payment in lieu of taxes (PILOT) will be equal to the property taxes due at the full assessed valuation and applicable commercial and residential rates. A quid pro quo is typically created through an easement.

Minimum Requirement for Commercial Space at Grade (V2): Zoning Bylaw policy requires on selected streets a minimum amount of commercial space equal to 60% of building frontage at a minimum depth of 30 feet.

Outdoor Dining Policy – Public Right of Way: In response to Covid the Town initiated a policy to allow restaurants to rent adjacent on-street parking spaces to accommodate outdoor dining in the Town's commercial districts. The program received generally favorable responses from restaurants and patrons and was extended post-Covid.

Public Realm Messaging: Kiosks / Banners: The Town has effectively used sidewalk areas and light poles in the public right of way to accommodate kiosks, video message boards and banners promoting local events (e.g., 2022 US Open), public meetings, local non-profit organizations, and local businesses. The digital kiosks installed under the Town's agreement with Soofa can also track cell phone data to monitor foot traffic in Coolidge Corner.

Missed Opportunities

Redevelopment Projects / ZBL Amendments

Peter Fuller Cadillac Dealership – Commonwealth Avenue: This five-story masonry building was constructed in 1927. Located near the south end of the BU Bridge, it served as the gateway to a row of automobile dealership along Commonwealth Avenue.

The Cadillac dealership was closed in 1978, and the building was put up for sale. A proposed redevelopment of the property into a hotel was rejected by Town Meeting. The property was subsequently purchased by Boston University in 1979 and removed from the commercial property tax roll.

Ground Floor Commercial Space at Two Brookline Place: The development permits for Two Brookline Place incorporated the assumption that the ground floor space fronting on Route 9 would be leased to retail / restaurant tenants to ensure active use at the pedestrian level. This space has been marketed as being "programmed for restaurant use with patio opportunity" but has remained vacant and in a cold shell (unimproved) condition. In hindsight greater flexibility to accommodate a broader range of retail and service uses would have been warranted.

Route 9 – East: The Boylston Street Corridor Study Committee developed a set of proposed land use regulations (zoning, design guidelines) to promote redevelopment of under-utilized parcels along the east section of Route 9. These recommendations were memorialized in Warrant Article 15 for the Spring 2022 Town Meeting but were subsequently withdrawn due to push back from neighbors and committee votes.

Land Use Policies / Tax Policies / Government Organization

Multi-Layered Development Permitting Process: Most of the land area within the Town's commercial zoning districts is designated General Business G-1.0 or G-2.0 which permits a maximum floor area ratio (FAR) of 1.0 or 2.0. This maximum FAR, in addition to maximum building height of 45 feet, may restrict the density required for financially feasible redevelopment. This necessitates first securing Zoning Bylaw amendments requiring two-thirds approval of Town Meeting, followed by obtaining a Special Permit and going through Site Plan Review and, in certain situations, Design Review. In addition to zoning amendments larger redevelopment projects also typically include a Memorandum of Agreement between the developer and the Town to memorialize public benefits including infrastructure and affordable housing, and a Tax Certainty Agreement. Proactively addressing financially infeasible Zoning Bylaw constraints would significantly reduce the timetable and risk associated with economic development projects.

Minimum Requirement for Commercial Space at Grade (V1). This provision in the Zoning Bylaw originally only required a minimum depth of 15 feet which is insufficient for most retail or restaurant uses. It was subsequently increased to 30 feet.

Way-Finding Signage: The need for better way-finding signage to guide customers to parking lots and garages has been noted in parking studies done for Coolidge Corner and Brookline Village.

Development-Related Town Boards - Communication / Collaboration: Few attempts have been made to facilitate joint meetings between the Planning Board, EDAB, Housing Advisory Board (HAB), the Zoning Board of Appeals, and the Brookline Housing Authority to discuss broad land use and development initiatives. Other than the HAB membership's inclusion of representatives from the Planning Board and BHA, most of the structural overlap has been on special purpose land use study committees.

To Be Determined

Redevelopment Projects / ZBL Amendments

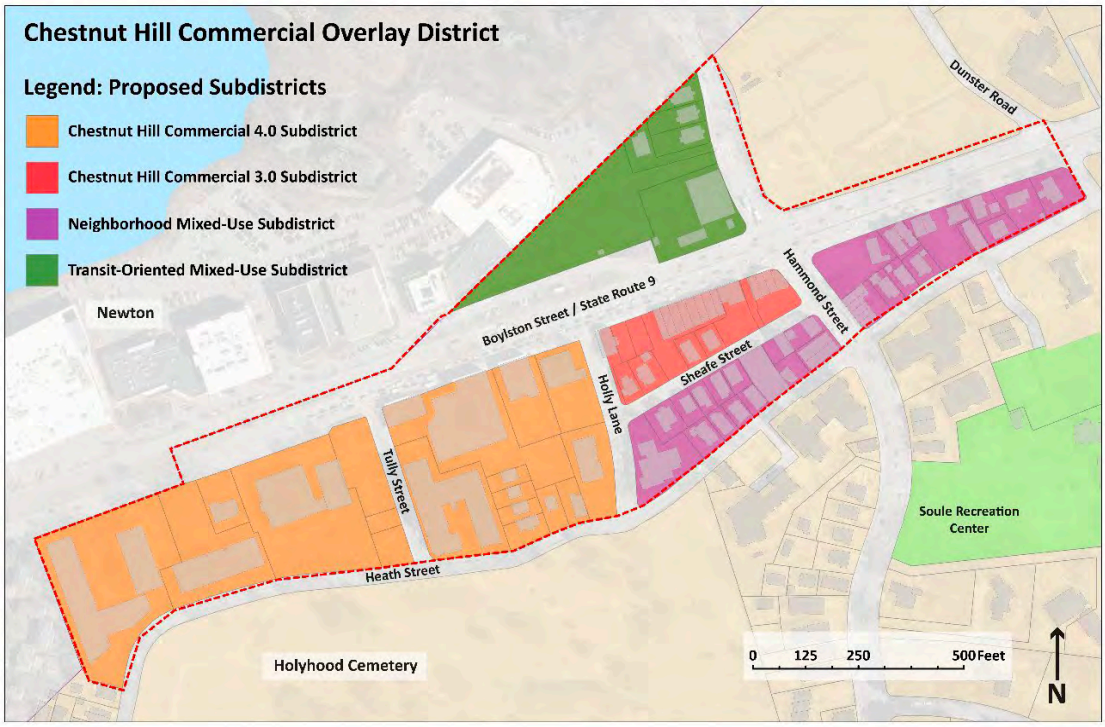
Waldo-Durgin Overlay District: This zoning overlay district was approved by Town Meeting in Spring 2019 to facilitate the redevelopment of the deteriorating Waldo-Durgin garage in the heart of Coolidge Corner. The Zoning Bylaw amendment facilitates a development program that includes a 9-story hotel and 14-story mixed use multi-family building with grade level retail space. Demolition has been completed but construction of the new building has been put on hold due to market conditions, most notably construction costs for underground parking and higher interest rates. The timetable for project completion is currently unknown.

Harvard Street – Main Street Zoning District: This amendment to the Zoning Bylaw was adopted by Town Meeting in 2024 as part of the revisions made to meet the requirements of the MBTA Communities Act. (The second part of the MBTA-CA zoning compliance was an overlay to permit higher density as of right in the M-1 multi-family districts.) The Harvard Street zoning increased the permitted maximum building height to four floors and reduced minimum parking space requirements. However, the zoning incorporates extensive (and expensive) mandatory form-based design guidelines that in combination with the height limit, could make redevelopment of most parcels financially infeasible. Notably the parcels for the Stop & Shop and TJ Maxx sites on Harvard Street were excluded from this zoning district under the assumption that their size would necessitate a separate zoning amendment and Special Permit to accommodate redevelopment.

Emerald Island Special District - North: The Emeral Island Special District was adopted by Town Meeting in 2016 to accommodate redevelopment of the industrial zoned area between River Road and Brookline Avenue. The initial focus was to accommodate redevelopment of the former gas station at the southern end of this district which ultimately became the Hilton Garden Inn. No other redevelopment projects to date have been proposed for balance of the overlay district. Use of the additional density permitted under the overlay district requires a minimum lot size of 13,600 SF which

necessitates parcel assembly. The zoning overlay originally limited multi-family to micro units, age restricted units, and live-work units, but this was modified by Town Meeting to permit a conventional mix of one-, two-and three-bedroom units.

Chestnut Hill Commercial Area Overlay Zoning Amendment: The Planning & Community Development Department staff is in process of formulating a warrant article to create a new zoning overlay district for the Chestnut Hill Commercial Area. This warrant article is scheduled for submittal to Town Meeting in May 2026. The overlay district will include four subdistricts as shown in the map below.



The CHC-4.0 subdistrict includes the 5.3-acre Chestnut Hill Office Park which was acquired by City Realty in 2024. They are proposing a mixed-use redevelopment plan that would include a hotel, medical office, retail, luxury condominiums and multi-family rental apartments. This plan would require substantial up-zoning. Current zoning limits the permitted use to office and allows a maximum FAR of 2.5 (with bonus).

Centre Street Parking Lots Study: The Town recently completed an ARPA funded study of potential redevelopment options for the two municipal parking lots on Centre Street. The consulting team and the appointed Centre Street Lots Committee identified four potential redevelopment scenarios ranging from landscape improvements to various configurations of new construction that include a parking garage, multi-family residential, commercial space, and public open space. The Committee has recommended the Side Lot plan (below) as the preferred option for further evaluation.



The Committee report will be presented to the Select Board in late January. Assuming additional funding is authorized for this project the next step will be a Request for Information package that will be sent to developers to gauge potential interest and identify key challenges and opportunities. If the RFI phase is successful, the Town may elect to issue a Request for Proposal for a joint venture agreement with a local developer. Key challenge will be to meet the Committee's first Guiding Principle to "ensure continued access for business owner and lot users" during construction of the project.

5 Green Street – Coolidge Corner: This mixed-use building has five condominium units and a small retail space at grade. It replaced the former two-level Osaka restaurant. This redevelopment represents a net loss in commercial space, but the total tax revenue generated from the luxury condominiums may more than offset the lower residential tax rate and the homeowner exemptions. This project could serve as case study for the fiscal impact of the redevelopment of parcels with one- and two-story retail buildings into four-story mixed-use buildings, assuming the latter has reduced commercial space at grade.

Land Use & Tax Policies / Government Organization

Ground Floor Commercial Incentive (GFCI): The GFCI program was adopted as an amendment to the Town's Inclusionary Zoning By-Law (Section 4.08) in 2024 to

encourage developers of new mixed-use projects to build out first generation commercial space on the ground floor in exchange for the ability to charge higher rents on affordable housing units. The program was endorsed by the HAB and is operated under the "Standards and Guidelines" developed by EDAB and approved by the Select Board. The commercial space at grade must be improved to a so-called "warm shell" condition, and include where applicable, "restaurant ready" base building upgrades (e.g., ventilation shafts). In exchange for this initial investment the developer can rent Affordable Housing units under the 70% Area Median Income schedule in lieu of the standard 50% AMI schedule. The goals of the program were to facilitate shorter lease up time for new commercial space, lower the start-up costs for small businesses, and encourage more work force housing options under the IZBL.

Washington Street Complete Streets Project: The Town of Brookline has submitted a proposal to the Massachusetts Dept. of Transportation for partial funding a +/- $30 million comprehensive upgrade of the public right-of-way along Washington Street from Beacon Street to Kent Street. The proposed project would include roadway, sidewalk, signalization, and infrastructure improvements, plus the installation of (elevated) separated bike lanes along each side of the street. The installation of the separated bike lanes would result in the removal of 65 of the 200 on-street parking spaces along the corridor with the highest concentration of removed spaces near the Washington Square and Brookline Village commercial districts.

Pop Up Retail: The Town has provided funding assistance for the creation of so-called pop-up retail spaces in vacant commercial storefronts. This type of program, which has been used in various commercial areas nationwide, allows short term (often seasonal) use of vacant storefronts for retailers testing new concepts or in the initial stage of establishing a business model. The program has been challenging to implement given construction costs and insurance requirements and has not yet served as an incubator for new small businesses in Brookline.

Select Board Liaison to EDAB: In 2024 the Select Board agreed to designate one its members as a liaison to EDAB to better facilitate direct communication on Town policies and programs related to economic development. Paul Warren, who has announced he will not seek reelection in May 2026, has served as the initial liaison with EDAB. Presumably this role will be continued, and the Select Board will designate a successor.

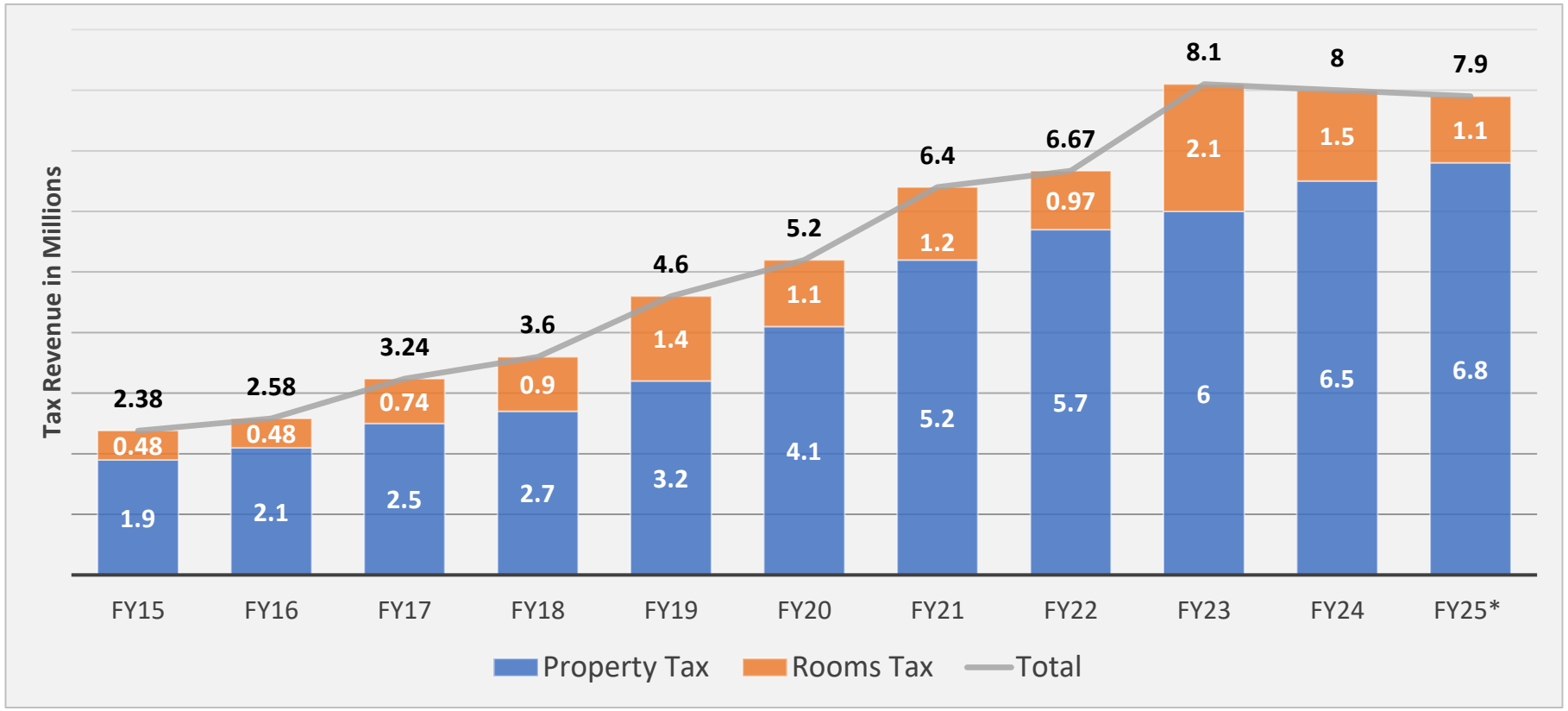
Outdoor Lighting Regulations: At the Fall 2025 Town Meeting a warrant article proposed new regulations on outdoor lighting similar to Dark Skies initiatives being adopted by other municipalities. The regulations would have set limits on lighting levels, timing and screening of light fixtures, including lighting at existing buildings within the Town's

commercial districts. The warrant article was referred to a Moderator's Committee for further study.

Streamline Permitting Process: The Regulatory Division of the Planning & Community Development Department is evaluating alternatives for streamlining the permitting process including use of a consolidated permit application and exempting certain permits from Planning Board and/or Zoning Board of Appeals review and approval.

Comprehensive Plan Update: The Town is currently updating its Comprehensive Plan pursuant to the requirements of MGL Chapter 41 Section 81D. The 16-member Steering Committee has been working with the Planning Staff for the past 18 months to compile background data and draft land use policies to promote: (1) housing options; (2) thriving commercial districts; (3) mobility and accessibility; (4) climate action and resiliency; (5) preservation of historical and cultural resources; and (6) livable neighborhoods. A community engagement program is currently underway to solicit input from Town citizens and business owners. The Comp Plan is intended to provide a blueprint for land use, zoning, and investment strategies that advance the recommended vision and policies. It is scheduled to be finalized by the third quarter of 2026.

EDAB Commercial Tax Revenue Contributions FY15-FY25



Annual Property Tax Yield for EDAB-Supported Projects (FY25)

Address	Use	Total FY25 Tax
2 Brookline Place	Office	$ 1,682,496.00
40 Webster St	Hotel (Marriott Courtyard)	$ 1,411,574.40
700 Brookline Ave	Hotel (Hilton Garden Inn)	$ 1,187,683.20
111 Boylston Street	Hotel (Homewood Suites)	$ 843,069.60
399 Chestnut Hill Ave	Hotel (AC Hotel)	$ 510,544.80
1010 Commonwealth Ave	Office	$ 427,307.62
10 Brookline Place West	Office	$ 365,829.61
Kendall Crescent	Condos & Affordable Condos	$ 183,548.91
165 Chestnut Street	Assisted Living (Goddard House)	$ 161,882.81

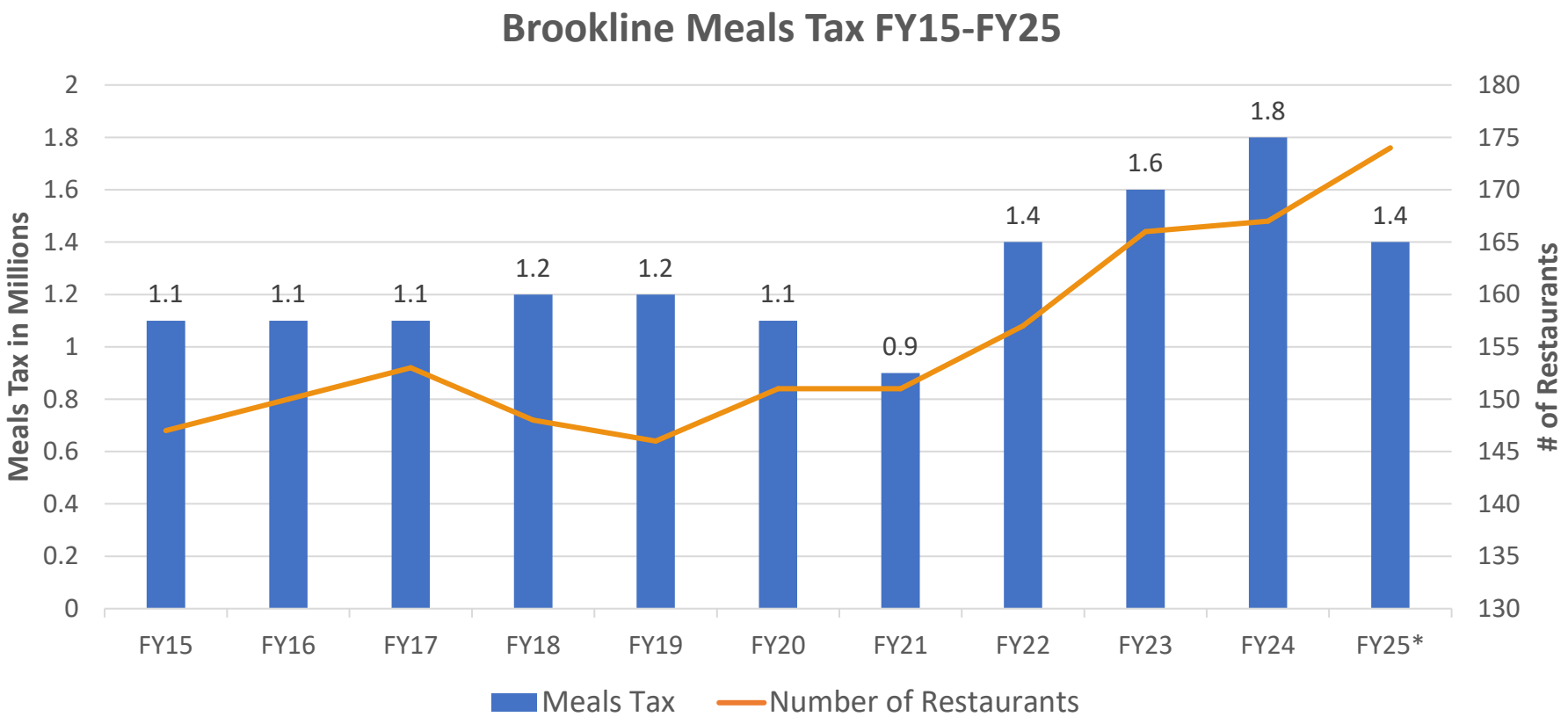
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NON-EDAB NEW CONSTRUCTION PROJECTS FROM LAST 10 YEARS*

Address	Use	FY25 Tax
Hancock Village*	Apartment	$ 1,602,040
123 Fisher Ave*	Assisted Living	$ 513,705
136 Babcock St	Apartment	$ 183,307
420 Harvard St	Mixed Use	$ 206,795
370 Harvard St	Senior Affordable	$ 147,802

***Generating more than $140,000 in revenue**
***Hancock Village includes several properties**
***123 Fisher (The Newbury) is not yet stabilized**

EDAB Commercial Tax Revenue Contributions



Appendix: Other Post-Employment Benefits (OPEBs)

Appendix A: Unfunded Liabilities Policy 9/9/2025

Appendix B: Future Committee List of Questions

Appendix C: Treasurer's Memo re: OPEB Liability

Appendix D: Moody's Scorecard for Brookline

Appendix E: Moody's Rating Criteria

TOWN OF BROOKLINE
UNFUNDED LIABILITIES POLICY

Defined as "the actuarial calculation of the value of future benefits payable less the net assets of the fund at a given balance date", unfunded liabilities represent a significant financial obligation for all levels of government across the country. In Brookline and other Massachusetts municipalities, the two primary unfunded liabilities are for Pensions and Other Post-Employment Benefits (OPEB's). Consistent with supporting the Town's long-term financial stability and the goal of maintaining the Town's bond rating, the purpose of this policy is to establish a framework to achieve full funding of these currently unfunded liabilities.

- Pensions – the Contributory Retirement System is a defined benefit program that is governed by Massachusetts General Laws, Ch. 32 and is regulated by the Public Employee Retirement Administration Commission (PERAC), a State entity responsible for the oversight, guidance, monitoring, and regulation of Massachusetts' 105 public pension systems. Funding for this system covers the costs of employees who are part of the Town's retirement system, which does not include teachers, as their pensions are funded by the State.

  In accordance with State law, PERAC regulations and government accounting standards, the Town contracts for an actuarial valuation of the retirement system to quantify the unfunded liability on a biennial basis. Under current State law, the Town then establishes a funding schedule to fully-fund this liability by 2040. The Town shall continue to fund this liability in the most fiscally prudent manner, recognizing the fact that the adoption of a funding schedule is, by law, the responsibility of the local retirement board.

- OPEB's – these consist primarily of the costs associated with providing health insurance for retirees and their spouses. The Government Accounting Standards Board (GASB) issued Statements No. 43 and No. 45 in 2004 to address the OPEB issue. GASB 43 required the accrual of liabilities of OPEB generally over the working career of plan members rather than the recognition of pay-as-you-go contributions, while GASB 45 required the accrual of the OPEB expense over the same period of time. The reporting requirements of GASB 43 and 45 include disclosures and schedules providing actuarially determined values related to the funded status of the OPEB. This requires that the accrued liabilities be determined by a qualified actuary using acceptable actuarial methods.

  The Town shall aim to annually appropriate sufficient funds to meet the Actuarially Determined Contribution towards its OPEB liability, and shall fund its outstanding OPEB liabilities until they are met according to a schedule. This schedule should increase the OPEB appropriation from General Fund revenues annually. Additionally, for years in which the pension system's unfunded liability is met, this schedule should incorporate revenue otherwise appropriated for pensions. To ensure the OPEB funding schedule remains on track, an independent actuary shall

prepare biennial valuations, following Governmental Accounting Standards Board best practices.

MEMO

13 January 2026

FROM: E & RSC Futures Subcommittee
TO: Chas Carey, Town Administrator, Melissa Goff, Deputy Town Administrator
RE: OPEB Unfunded Liability Plan

As described on p. 13-14 of the FY26 Budget Book, it states:

"Within six years (i.e., 2030), the Town will eliminate the unfunded portion of the pension liability. At that time, the Town intends to shift this funding capacity (approximately $40M) to meet the other major unfunded retirement obligation of the Town (so-called "other post employment liabilities," or "OPEB")."

Please confirm:

1. The current OPEB Liability is shown as $197M.
   a. What is the amount in the current audited financial statements?
   b. What is the current balance in the fund?
   c. What cost are covered (i.e.,some or all of the medical insurance, etc.)

2. Please explain whether, aside from the non-binding statement found on the same page:

" In addition, the aggressive pension funding schedule is a sign of financial strength seen by credit rating agencies."

there are any State or other legal requirements concerning OPEBs that would require adopting this policy for the specific annual payment amounts being proposed – around $40M starting in FY31? Is there any expectation the State will move to require full funding of OPEB obligations and, if they did, over what time frame would that be expected to occur?

3. Do these rules concerning the Pension System, which the Budget Book states as:

"It is possible to modify/extend the pension funding schedule to reduce annual cost increases, but in no event will the state allow a municipality to reduce their prior year's appropriation."

apply to OPEB's? Are there any specific State rules regarding OPEB funding?

4. If they do, please confirm that the 2031 OPEB payment could be around $6M as shown in the Budget Book for years leading up to 2030, thereby providing the difference between $40M and $6M as available for other uses – approximately $34M?

5. And, in the alternate, please confirm that there could be a slower repayment schedule, such as $20M a year rather than $40M?

6. What is the expected length of time it would take to reach full funding of the OPEB liability?

7. In making the statement below concerning the Pension System funding, the Budget Book states:

“Extending the schedule beyond 2030 or modifying other assumptions to reduce liability are not unlike extending or refinancing a mortgage. While it provides immediate relief, the overall increase in costs are substantial.”

What is the calculation by which the Town believes this applies to OPEB’s, and if available, please provide it.

LINCOLN HEINEMAN
DIRECTOR OF FINANCE

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To: "Future" Subcommittee of the Expenditures & Revenues Study Committee

From: Lincoln Heineman, Director of Finance

Cc: Chas Carey, Town Administrator
Melissa Goff, Deputy Town Administrator

Date: January 20, 2026

Subject: OPEB Liability

The Town's Other Post-Employment Benefits (OPEB) liability is updated by an actuary every two years; the most recent valuation is attached. Except for pensions, the only post-employment benefit provided by Brookline is health insurance for retirees, their dependents, and surviving spouses.

The Town funds its outstanding OPEB liability according to its Unfunded Liabilities Policy and pursuant to appropriations voted by Town Meeting. The Unfunded Liabilities Policy was most recently adopted by the Select Board in September 2025, and is attached to this memo.

The Subcommittee's specific questions are answered here, with the same numbering as in your January 13 memo:

1. a. The net liability as of June 30, 2024 was $196,879,731.
   b. The current fund balance is $121,875,508.
   c. For those retirees receiving Medicare, the Town pays 83% of the premium. For those retirees not receiving Medicare, the Town pays 65% of the premium.

2. Statements 74 and 75 from the Governmental Accounting Standards Board require the Town to actuarially measure its outstanding OPEB liability at least every two years. While there is currently no legal requirement that this liability be funded, the state Division of Local Services recommends municipalities adopt a formal policy detailing a financing strategy that annually appropriates monies to an OPEB Trust, with one recommended option being that after "the community has fully funded the pension system, on a subsequent annual basis, appropriate to the trust fund the amount equivalent to the former pension-funding payment" (https://www.mass.gov/info-details/highly-recommended-opeb-trust-fund). As discussed above, the Town has adopted this policy. At least one state (Michigan) requires funding OPEB's beyond the pay-as-you-go costs,

and it is generally accepted that Massachusetts will also legally require this at some point.

3. No, the legal obligation not to reduce the prior year's pension appropriation does not currently apply to OPEB's, and there is not currently a requirement that this obligation be annually funded.

4. If the Town did not appropriate the "revenue otherwise appropriated for pensions" to its OPEB liability in FY2031, and therefore did not follow the Unfunded Liabilities Policy, that year's OPEB appropriation is expected to be $6,181,980.

5. Yes, a slower repayment schedule would currently be legally possible, but again the Town would not be following its Unfunded Liabilities Policy.

6. It's difficult to predict when precisely the Town's OPEB liability will be fully funded, since this is dependent on future actuarial measurements of this liability and the Town's pension liability, future expected investment returns, future health insurance costs, and other factors. However, if the Unfunded Liabilities Policy is followed I would predict full funding in FY2035 or FY2036.

7. Again, there are many factors affecting the Town's outstanding OPEB liability. The primary factor within the Town's control is how quickly this liability is funded, which in turn affects the magnitude of investment returns the OPEB Trust can realize. The last year and a half of experience since the June 30, 2024 actuarial valuation is instructive, with $11.6M in investment returns during this period. Had the Town not appropriated the funds it did to the Trust, this return would be less, increasing the outstanding liability that would need to be funded by the General Fund and by extension, the taxpayers.

I look forward to answering any further questions the Subcommittee has on this matter.

Thank you.

Enclosures

Brookline (Town of) MA
CALCULATION SHEET

	2021	2022	2023
Economy Factor Inputs and Calcs	**Value**	**Value**	**Value**
Local median household income (ACS 5-yr Est.)	$122,356	$130,600	$140,631
US median household income (ACS 5-yr Est.)	$69,021	$75,149	$78,538
Regional price parity (US Bureau of Economic Analysis)	109.9	112.2	111.6
RPP-adjusted median household income	$111,346	$116,370	$126,043
RPP-adjusted median household income as % of US	**161.3%**	**154.9%**	**160.5%**
Full valuation of the Tax Base (000s)	$28,147,949	$28,147,949	$29,895,595
Population (American Community Survey 5-yr Est.)	62,620	62,698	62,822
Full value per capita	**$449,504**	**$448,945**	**$475,878**
Beginning year real GDP (million)	424191.41	433844.401	451335.935
End year real GDP (million)	495860.834	507807.016	515386.134
Five-year compound annual growth in real GDP	3.2%	3.2%	2.7%
Beginning year real US GDP (million)	$19,141,672	$19,612,102	$20,193,896
End year real US GDP (million)	$21,494,798	$22,034,828	$22,671,096
Five-year compound annual growth in Real US GDP	2.3%	2.4%	2.3%
Economic Growth	**1.1%**	**0.8%**	**0.2%**

Financial Performance Factor Inputs and Calcs	**Value**	**Value**	**Value**
Governmental Funds revenue (000s)	$384,399	$406,374	$429,196
Business Type Acitivities revenue (000s;)	$31,338	$31,421	$35,504
Internal Serv Fund non-operating revenue (000s)	$10	$14	$181
Total revenue (000s)	$415,747	$437,809	$464,881
Govern Funds available fund balance - (000s)	$63,145	$75,111	$96,289
Internal Serv Fund total unrestricted current assets (000s	$5,716	$6,611	$6,339
Internal Serv Fund total current liabilities (000s)	$112	$101	$85
Internal Serv Fund current portion of long-term debt			
Internal ServFund net current assets (000s)	$5,605	$6,510	$6,253
BTAs total unrestricted current assets (000s)	$21,052	$19,732	$23,812
BTAs total current liabilities (000s)	$2,485	$2,437	$2,787
BTAs current portion of long-term debt (000s)	$1,823	$1,786	$2,165
BTAs current portion of other LTLs (000s)	$431	$376	$324
Business Type Activities net current assets (000s)	$20,821	$19,457	$23,514
Available fund balance ratio	21.5%	23.1%	27.1%
Governmental Funds net unrestricted cash (000s;)	$323,518	$283,930	$238,508
Internal Service Fund unrestricted cash (000s)	$5,716	$6,611	$6,339
Business Type Activities unrestricted cash (000s)	$13,089	$13,262	$16,918
Liquidity ratio	**82.3%**	**69.4%**	**56.3%**

Leverage Factor Inputs and Calculated Subfactors	**Value**	**Value**	**Value**
Total revenue (000s)	$415,747	$437,809	$464,881
Direct debt outstanding - Governmental (000s)	$501,854	$496,553	$479,850
Direct debt outstanding - BTAs (000s)	$12,001	$10,920	$13,691
Moody's Adjusted Net Pension Liability - Govern (000s)	$621,610	$437,594	$310,075

Moody's Adjusted Net Pension Liability - BTAs (000s)	$13,680	$9,263	$6,810
Moody's Adjusted Net OPEB - Governmental (000s)	$438,880	$358,293	$266,223
Moody's Adjusted Net OPEB - BTAs (000s)	$9,048	$7,387	$5,489
Other long-term liabilities - Governmental (000s)	$29,066	$28,650	$12,553
Other long-term liabilities - BTA (000s)	$566	$749	$672
Long-term liabilities ratio	**391.3%**	**308.2%**	**235.6%**
Implied debt service - Governmental (000s)	$24,125	$35,200	$34,679
Implied debt service - BTA (000s)	$818	$842	$763
Pension tread water - Governmental (000s)	$19,420	$18,342	$13,696
Pension tread water - BTA (000s)	$427	$388	$301
OPEB contribution - Governmental (000s)	$16,362	$17,413	$16,023
OPEB contribution - BTA (000s)	$337	$359	$330
Other long-term liability carrying cost - Govern (000s)	$973	$2,039	$2,001
Other long-term liability carrying cost - BTA (000s)	$33	$40	$52
Fixed-costs ratio	**15.0%**	**17.0%**	**14.6%**

MOODY'S RATINGS

RATING METHODOLOGY

24 July 2024

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Rating Methodology

US Cities and Counties

This rating methodology replaces the *US Cities and Counties Methodology* published on November 2, 2022. While this methodology reflects the same core principles as the 2022 methodology, we have expanded the types of instruments rated using this methodology to include special tax debt instruments of these issuers, and we have expanded the existing instrument rating sections in this methodology to include our approach to these special tax debt instruments relative to a city's or county's issuer rating. We have also made editorial changes to enhance readability.

We continue to assign ratings using the *US Public Finance Special Tax Debt* methodology for special tax debt instruments that we do not rate in relation to an issuer rating of a US city or county, US K-12 public school district or US state or territory. For additional information, please see the related Request for Comment, published on January 16, 2024, and Results of Consultation, published on July 24, 2024.

Scope

This methodology is used to assign issuer ratings to US cities, counties and other general government entities below the level of a state or territory (including towns, townships, villages, boroughs and parishes). In the sections that follow, we refer to all of these entities as cities and counties. This methodology also applies to US Native American tribal nations.

Cities and counties rated using this methodology are self-governing municipal entities that provide general public services to residents within defined geographic boundaries. These cities and counties have the legal ability to issue debt and may impose taxes, fees, fines or service charges. They may also have other legal means of financing public services and paying debt service. Cities and counties rated using this methodology have the power to issue debt on their own behalf or are the obligor of debt issued through an authority or dedicated financing vehicle.

This methodology is also used to assign ratings to the following types of city and county debt instruments: (i) general obligation unlimited tax; (ii) general obligation limited tax; (iii) general promises to pay; (iv) lease and contingent obligations; and (v) debt instruments supported by a pledge of special tax revenues where the credit profile of the city or county is a highly relevant driver of the instrument. Lease and contingent obligations also include moral obligations, non-lease annual appropriation obligations, abatement lease-backed obligations and comparable debt.

Special tax obligations rated using this methodology are debt instruments secured by a pledge of a city's or county's taxes other than real property taxes (e.g., sales taxes), including fees, transaction-based charges, allocations or disbursements the city or county receives, and similar types of revenue (collectively, special taxes).

This methodology also applies to the debt instruments of city or county enterprises, component units and other related entities that benefit from a city's or county's general obligation pledge or general promise to pay, or from a lease, appropriation or moral obligation or pledged special tax revenue of the city or county, provided that the credit profile of the city or county is closely related to the instrument. Key characteristics of a related entity for which the city's or county's credit profile is closely tied include a close governance relationship where key decision-makers are the same in the related entity and the city or county, or are appointed by city or county leaders, or where the city or county has assigned pledged revenues to the related entity to repay the debt but retains ownership and control of the pledged revenues. Cities and counties that provide kindergarten through 12th grade (K-12) education directly or that issue debt on behalf of a school district are rated using this methodology. In most US states, K-12 public education is provided by K-12 public school districts that are separate from the city or county, and these school districts are rated using a separate methodology.[1]

Obligations supported solely by the enterprise revenues of a city or county (e.g., a water or sewer enterprise) are rated using separate methodologies. Also, certain special tax obligations are rated using a separate methodology, e.g., where the special tax revenue is levied on an area that is significantly narrower than the city's or county's total economic base. In addition, this methodology is not used to rate debt supported solely by independent special purpose entities (e.g., a standalone park district or a tax increment district) or the debt of component units of a city or county supported exclusively by a pledge of the tax or other revenue of the special purpose entity or component unit (e.g., a municipal utility). Independent special purpose entities rated using separate methodologies include those with autonomous decision-making powers, especially over borrowing and use of bond proceeds, clear operational separation from the city or county, independent authority to levy or collect pledged revenues and meaningful operating risk beyond that of the related city or county. Such entities include standalone toll roads, municipal airports, public hospitals, public colleges and universities, ports, housing authorities, library districts and fire protection districts, which are rated using separate methodologies.

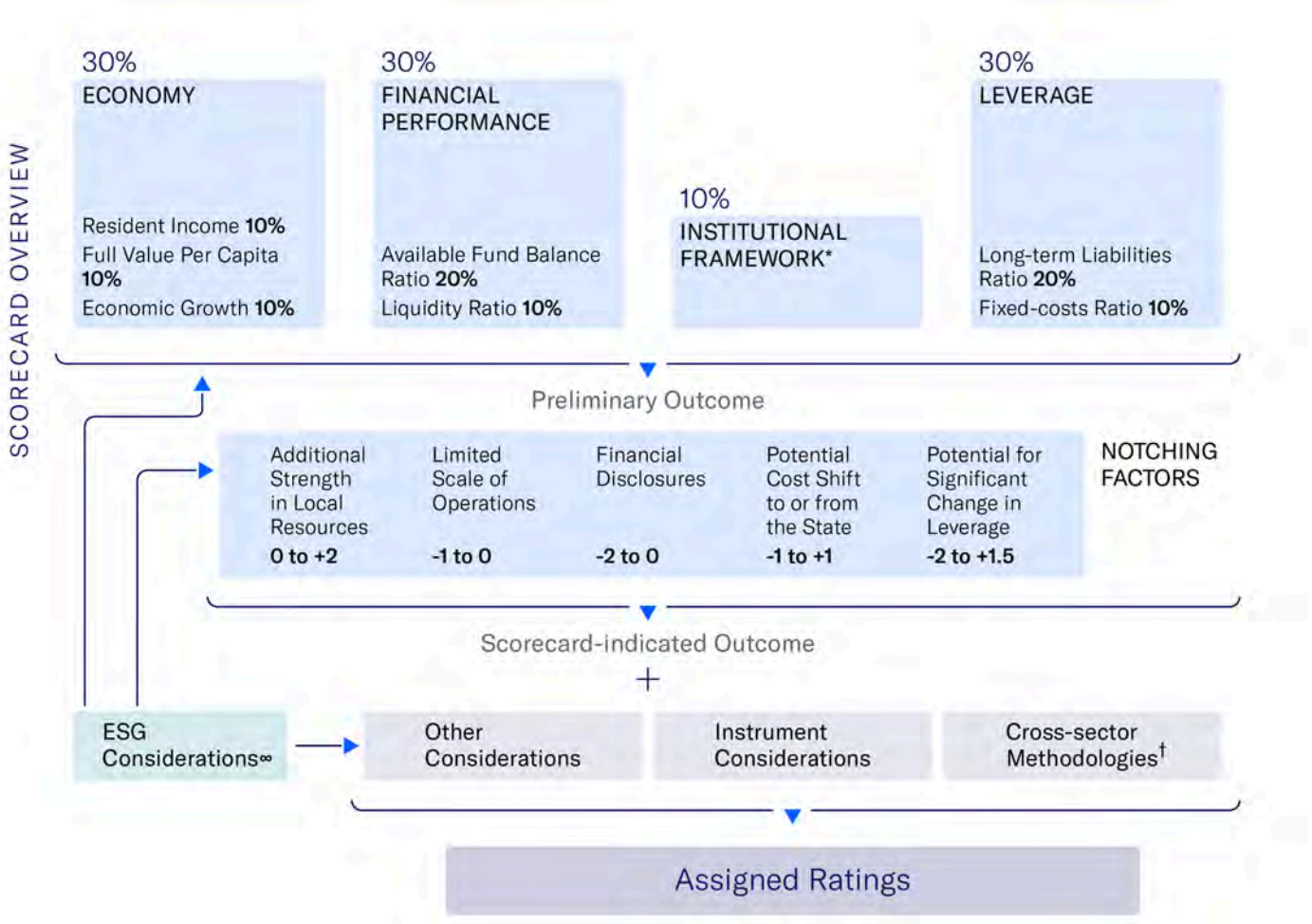
Rating approach

In this rating methodology, we explain our general approach to assessing credit risk of US cities and counties, including the qualitative and quantitative factors that are likely to affect rating outcomes in this sector. We seek to incorporate all material credit considerations in ratings and to take the most forward-looking perspective that visibility into these risks and mitigants permits.

The following schematic illustrates our general framework for the analysis of cities and counties, which includes the use of a scorecard. The scorecard-indicated outcome is not expected to match the actual rating for each issuer. For more information, see the "Other considerations" and "Limitations" sections.

Exhibit 1

Illustration of the US cities and counties methodology framework



* This factor has no sub-factors.

∞ Environmental, social and governance (ESG) considerations, including, where available, our opinions of exposure to them as expressed in Issuer Profile Scores (IPSs), may affect scorecard factors and other considerations outside of the scorecard. For more information, see the "Other considerations" section.

† Some of the methodological considerations described in one or more cross-sector methodologies may be relevant to ratings in this sector. A link to a list of our sector and cross-sector methodologies can be found in the "Moody's related publications" section.

Source: Moody's Ratings

US cities and counties scorecard

For general information about how we use the scorecard and for a discussion of scorecard mechanics, please see the "Using the scorecard to arrive at a scorecard-indicated outcome" section. The scorecard does not include or address every factor that a rating committee may consider in assigning ratings in this sector. Please see the "Other considerations" and "Limitations" sections.

Exhibit 2

US cities and counties scorecard

	Weight	Aaa	Aa	A	Baa	Ba	B	Caa	Ca
Factor: Economy (30%)									
Resident Income (MHI Adjusted for RPP/US MHI)[1]	10%	≥ 120%	100% - 120%	80% - 100%	65% - 80%	50% - 65%	35% - 50%	20% - 35%	< 20%
Full Value per Capita (Full Valuation of the Tax Base / Population)[2]	10%	≥ $180,000	$100,000 - $180,000	$60,000 - $100,000	$40,000 - $60,000	$25,000 - $40,000	$15,000 - $25,000	$9,000 - $15,000	< $9,000
Economic Growth (Difference Between Five-Year Compound Annual Growth in Real GDP and Five-Year CAGR in Real US GDP)[3]	10%	≥ 0%	(1)% - 0%	(2.5)% - (1)%	(4.5)% - (2.5)%	(7)% - (4.5)%	(10)% - (7)%	(15)% - (10)%	< (15)%
Factor: Financial Performance (30%)									
Available Fund Balance Ratio (Available Fund Balance + Net Current Assets/Revenue)[4]	20%	≥ 35%	25% - 35%	15% - 25%	5% - 15%	0% - 5%	(5)% - 0%	(10)% - (5)%	< (10)%
Liquidity Ratio (Unrestricted Cash/Revenue)[5]	10%	≥ 40%	30% - 40%	20% - 30%	12.5% - 20%	5% - 12.5%	0% - 5%	(5)% - 0%	< (5)%

	Weight	Aaa	Aa	A	Baa	Ba	B	Caa	Ca
Factor: Institutional Framework (10%)									
	10%	The majority of revenue is not subject to externally imposed caps and the governing body can increase revenue meaningfully without limitation or without approval of voters or other governments. And The ability to meaningfully reduce expenditures is not constrained by externally imposed mandates or restrictions.	The majority of revenue is subject to externally imposed caps but the governing body can increase revenue meaningfully without the approval of voters or other governments. Or The ability to meaningfully reduce expenditures is mildly constrained by externally imposed mandates or restrictions.	The majority of revenue is subject to externally imposed caps but the governing body can increase revenue moderately without the approval of voters or other governments. Or The ability to meaningfully reduce expenditures is moderately constrained by externally imposed mandates or restrictions.	The majority of revenue is subject to externally imposed caps and the governing body can increase revenue only minimally without the approval of voters or other governments. Or The ability to meaningfully reduce expenditures is heavily constrained by externally imposed mandates or restrictions.	The majority of revenue is subject to externally imposed caps and the governing body cannot increase revenue without the approval of voters or other governments. Or The ability to meaningfully reduce expenditures is very heavily constrained by externally imposed mandates or restrictions.	The majority of revenue is subject to externally imposed caps and the governing body cannot increase revenue. Or The ability to meaningfully reduce expenditures is extremely constrained by externally imposed mandates or restrictions.	Not applicable.	Not applicable.
Factor: Leverage (30%)									
Long-term Liabilities Ratio ((Debt + ANPL + Adjusted Net OPEB + Other Long-Term Liabilities)/Revenue)[6]	20%	≤ 100%	100% - 200%	200% - 350%	350% - 500%	500% - 700%	700% - 900%	900% - 1,100%	> 1,100%
Fixed-costs Ratio (Adjusted Fixed Costs/Revenue)[7]	10%	≤ 10%	10% - 15%	15% - 20%	20% - 25%	25% - 35%	35% - 45%	45% - 55%	> 55%
Preliminary outcome									

Notching factors
Additional Strength in Local Resources
0 to +2 notches
Limited Scale of Operations
-1 to 0 notches
Financial Disclosures
-2 to 0 notches
Potential Cost Shift to or from the State
-1 to +1 notches
Potential for Significant Change in Leverage
-2 to +1.5 notches
Scorecard-indicated outcome

[1] For the linear scoring scale, the Aaa endpoint value is 200%. A value of 200% or better equates to a numeric score of 0.5. The Ca endpoint value is 0%. A value of 0% or worse equates to a numeric score of 20.5
[2] For the linear scoring scale, the Aaa endpoint value is $400,000. A value of $400,000 or better equates to a numeric score of 0.5. The Ca endpoint value is $7,500. A value of $7,500 or worse equates to a numeric score of 20.5.
[3] For the linear scoring scale, the Aaa endpoint is 2%. A value of 2% equates to a numeric score of 0.5. The Ca endpoint value is (20)%. A value of (20)% or worse equates to a numeric score of 20.5.
[4] For the linear scoring scale, the Aaa endpoint value is 50%. A value of 50% or better equates to a numeric score of 0.5. The Ca endpoint value is (15)%. A value of (15)% or worse equates to a numeric score of 20.5.
[5] For the linear scoring scale, the Aaa endpoint value is 60%. A value of 60% or better equates to a numeric score of 0.5. The Ca endpoint value is (10)%. A value of (10)% or worse equates to a numeric score of 20.5.
[6] For the linear scoring scale, the Aaa endpoint value is 0%. A value of 0% or better equates to a numeric score of 0.5. The Ca endpoint value is 1,300%. A value of 1,300% or worse equates to a numeric score of 20.5.
[7] For the linear scoring scale, the Aaa endpoint value is 0%. A value of 0% or better equates to a numeric score of 0.5. The Ca endpoint value is 65%. A value of 65% or worse equates to a numeric score of 20.5.
Source: Moody's Ratings

Sector overview

US cities and counties provide basic services, which often include police and fire protection, courts and jails, public record-keeping, social services, park services and public works, including streets and roads.

Some cities and counties provide a narrow range of services, while others provide more comprehensive services as part of their primary government activities, including water, sewer, power or other utility services, healthcare services, economic development or transportation services (e.g., airport, port and transit services).

Cities and counties fund the services they provide with an array of revenues, including property taxes, sales taxes, income taxes, state and federal aid, departmental income (such as fines and fees) or direct charges for services.

Cities and counties issue a wide array of debt instruments that may be structured with quite different revenue pledges; e.g., a broad pledge such as a general obligation pledge, a narrower pledge, or a pledge limited to the enterprise revenues of a city or county, such as water and sewer revenue bonds. As described in the "Scope" section, we use separate methodologies to rate debt supported solely by enterprise revenues of a city or county.

Nonetheless, we consider the enterprise activities of cities and counties to be among the core services they provide. As described in the sections that follow, we assess US cities and counties in their totality and include their governmental and business-type financial results, assets and liabilities in our analysis of the fundamental credit strength of the city or county.

A city's or county's institutional framework is established and defined by its respective state constitution, laws or court decisions. In some US states, cities are subordinate to a county as a unit of local government, and in other states, cities operate independently of county governments.

Typically, cities and counties are governed by a chief executive and an elected body.

Discussion of the scorecard factors

In this section, we explain our general approach for scoring each scorecard factor or sub-factor, and we describe why they are meaningful as credit indicators.

Factor: Economy (30% weight)

Why it matters

A city's or county's economy provides important indications of its capacity to generate revenue at the local level.

This factor comprises three quantitative sub-factors:

Resident Income: Median Household Income (MHI) Adjusted for Regional Price Parity (RPP) / US MHI

The ratio of adjusted MHI of a city or county to the MHI of the US provides an indication of the relative strength of a local government's capacity to generate revenue at the local level. A city or county with relatively high MHI typically has greater capacity to raise revenue from local sources in order to pay debt service and to fund services and infrastructure that attract residents and businesses to the community. A city or county with relatively low MHI may have more limited capacity to support revenue growth. Low MHI may also signal a greater demand for city or county spending on social services.

We use MHI to compare resident income across cities and counties because this statistic includes the income of all residents of a housing unit regardless of their relationships, including families, single persons living alone and unrelated roommates. Adjusting MHI for RPP is important because it allows for comparability across the US by adjusting for regional differences in the cost of living. RPP reflects the average prices paid by consumers in a region of the US, compared to the national average.

Full Value per Capita: Full Valuation of the Tax Base / Population

The ratio of the full valuation of the property tax base to the population of a city or county provides another indication of the relative strength of a local government's capacity to generate revenue, but from a different perspective. This ratio is an important indicator of a city's or county's economic strength and capacity to generate revenue, even beyond levying taxes on real estate values.

Economic Growth: Difference Between Five-Year Compound Annual Growth Rate (CAGR) in Real Gross Domestic Product (GDP) and Five-Year CAGR in US Real GDP

Economic growth is an important indicator of a city's or county's ability to continue generating the revenue necessary for the programs and services it provides. Cities and counties within growing regional economies are more likely to retain residents and businesses and attract additional residents and businesses who will pay taxes, utility fees and other sources of government revenue. In general, a city or county with a more productive regional economy over a multiyear period is better able to generate adequate revenue on an ongoing basis. Cities and counties in regions with robust, sustained GDP growth are typically better positioned to grow revenue and build reserves against economic shocks. Comparing the GDP growth of a city's or county's region to US GDP growth provides an important indication into city or county economic strength above or below national economic fluctuations.

How we assess it for the scorecard

Scoring for this factor is based on three quantitative sub-factors: Resident Income, Full Value per Capita and Economic Growth.

Resident Income — MHI Adjusted for RPP / US MHI

The numerator is the MHI of a city or county, which we adjust for regional price differences. We make this adjustment by dividing the issuer's MHI by the RPP for the metropolitan statistical area (MSA). Because RPP is expressed relative to a benchmark of 100 for the US, we first divide RPP by 100.

For cities and counties that are outside of an MSA, we adjust based on the respective state's statewide non-metropolitan portion RPP. The denominator is US MHI. We use the American Community Survey (ACS) from the US Census Bureau, where available, or a successor report as our source of MHI data. The US Bureau of Economic Analysis or a successor agency is our source for RPP data. Where MHI is not available for a city or county, we typically use the MHI of an overlying or other local government located near the city or county (e.g., a neighboring town or most-proximate school district). In cases where we use a proxy entity, we also use that proxy's per capita income and population data in our scorecard metrics.

Full Value per Capita — Full Valuation of the Tax Base / Population

The numerator is the full market valuation of taxable property in the city or county, and the denominator is the population of the city or county.

For the numerator, we use the full market valuation of each city or county. Cities and counties often calculate full market value as a multiple of assessed value or of the book value of taxable properties in a city or county, but calculation methods vary by state, and we use assessed value where full market value is not available. Where either full market valuation or population data are not available, we use the full value per capita of a proxy, for example, a nearby local government entity whose tax base characteristics or demographic data reflect those of the entity being evaluated.

Economic Growth – Difference Between Five-Year CAGR in Real GDP and Five-Year CAGR in US Real GDP:

For cities and counties, we use the difference between the five-year CAGR in real GDP of the city's or county's MSA and the five-year CAGR of US real GDP. For cities and counties outside of an MSA, we use the relevant county real GDP. The US Bureau of Economic Analysis is typically our source for GDP data.

Factor: Financial Performance (30% weight)

Why it matters

Operational and financial strength is a significant driver of credit quality. The financial performance of a city or county, inclusive of its governmental funds and business-type activities, greatly influences its ability to meet existing financial obligations and its flexibility to adjust to new obligations or unexpected contingencies, such as unanticipated revenue shortfalls or cost increases.

This factor comprises two quantitative sub-factors:

Available Fund Balance Ratio: (Available Fund Balance + Net Current Assets) / Revenue

The ratio of available fund balance and net current assets to revenue provides a useful indication of whether a city's or county's resources would be sufficient to bridge temporary budget imbalances. The Available Fund Balance Ratio uses the available fund balance of total governmental funds and the net current assets of business-type activities and internal services funds.

The sum of a city's or county's available fund balance and net current assets represents the resources available to fund services and unforeseen contingencies, including, for example, a budget shortfall. The available fund balance includes cash as well as receivables, payables and other current assets and liabilities across total governmental funds that are likely to become cash inflows or outflows in the short term. Net current assets includes cash as well as receivables, payables and other unrestricted current assets and liabilities across business-type activities that are likely to become cash inflows or outflows in the short term. Comparing the sum of available fund balance and net current assets to revenue provides insights into the strength of a city's or county's near-term resources relative to the scale of the city's or county's primary governmental activities. We use the term primary government to refer to a city's or county's governmental and business-type activities. The primary government presentation typically includes blended component units but not discretely presented component units.

Liquidity Ratio: Unrestricted Cash / Revenue

The ratio of unrestricted cash to revenue provides another important perspective into financial flexibility. Unrestricted cash is a city's or county's most readily available liquid resource. Accruals can cause available fund balance to diverge from unrestricted cash, because the available fund balance reflects receivables, payables, and other current assets and liabilities that are not incorporated into unrestricted cash. For example, a large receivable for taxes or state aid could lead to a high available fund balance position, but a city or county could have a weak unrestricted cash position; in such cases, the city's or county's unrestricted cash position may provide a better indicator of its immediate financial flexibility. Alternatively, a city or county could have a high unrestricted cash position because it has deferred certain expenditures into the next fiscal year. In this case, its lower available fund balance would reflect the payable that will eventually reduce the unrestricted cash position.

How we assess it for the scorecard

Scoring for this factor is based on two quantitative sub-factors: Available Fund Balance Ratio and Liquidity Ratio. In our assessment of the scorecard sub-factors, we incorporate total governmental funds and business-type activities to capture a broad view of a city's or county's activities, assets and liabilities.

Available Fund Balance Ratio: (Available Fund Balance + Net Current Assets) / Revenue

The numerator is a city's or county's available fund balance plus its net current assets.

Available fund balance is the sum of a city's or county's available fund balance across all governmental funds. The available fund balance equals the sum of all fund balances that are classified as unassigned, assigned or committed in the total governmental funds section of a city's or county's audited financial statements. We exclude any non-spendable fund balance that is in the total governmental funds section, and typically exclude restricted fund balance in that section.

We define net current assets as unrestricted current assets minus current liabilities from a city's or county's business-type activities and internal services funds. Long-term liabilities, including the current portion that we incorporate into the Long-term Liabilities Ratio, where disclosed, are not incorporated into the calculation of net current assets. This approach results in comparability between net current assets and available fund balance, even though each measure is derived from a different accounting presentation.

The denominator is revenue, which is the sum of revenue from total governmental funds, operating and non-operating revenue from total business-type activities, and non-operating revenue from internal services funds, excluding transfers and one-time revenue, e.g., bond proceeds or capital contributions. The netting out of transfer activity minimizes double-counting, i.e., we do not count a transfer as revenue because it is likely already counted as revenue elsewhere in the financial statements. In excluding transfer revenue, we also minimize revenue volatility stemming from activity outside normal governmental activities.

For cities and counties that do not report governmental activities on a modified accrual basis, we frequently cannot calculate or estimate available fund balance. In these cases, scoring for this sub-factor is based on net cash as a proxy for available fund balance. We also apply downward notching if certain financial information is not disclosed, as described in the "Notching Factors" section. For cities and counties that do not report business-type activities on an accrual basis, we frequently cannot calculate or estimate net current assets. In both these cases, scoring for this sub-factor is also based on net cash.

Exhibit 3

Illustrative example of available fund balance calculation

Fund or activity	Total governmental	Internal service	Business-type	Fund balance ratio
Typical accounting standard (in millions of dollars)	Modified Accrual	Accrual	Accrual	
Non-spendable fund balance	Typically excluded	n/a	n/a	
Restricted fund balance	Typically excluded	n/a	n/a	
Committed fund balance	$3.5	n/a	n/a	
Assigned fund balance	$36.1	n/a	n/a	
Unassigned fund balance	$26.9	n/a	n/a	
Sub-total: governmental fund balance	$66.5	$0.0	$0.0	$66.5
Total unrestricted current assets	n/a	$21.0	$132.2	
Total current liabilities	n/a	($8.4)	($55.1)	
Add back: current portion of long-term debt	n/a	$0.0	$16.0	
Add back: current portion of other long-term liabilities	n/a	$0.0	$4.7	
Sub-total: net current assets	$0.0	$12.6	$97.8	$110.4
Fund balance ratio numerator	$66.5	$12.6	$97.8	$176.9
Total revenues	$164.7	n/a	n/a	
Total operating revenues	n/a	Typically excluded	$255.0	
Non-operating revenues	n/a	$0.5	$6.7	
Revenue denominator	$164.7	$0.5	$261.7	$426.9
Fund balance ratio				41.4%

Source: Moody's Ratings

Liquidity Ratio: Unrestricted Cash / Revenue

The numerator is the sum of unrestricted cash in total governmental activities, total business type activities and the internal services fund, net of short-term debt. For this calculation, we consider short-term debt to be debt issued for operations maturing within one year, such as cash flow notes or tax anticipation notes. The denominator is revenue.

Factor: Institutional Framework (10% weight)

Why it matters

The institutional framework is important because it affects the ability of a city or county to match recurring revenue with expenditures. The statutory and legal framework under which a city or county operates defines the scope of services it is required to provide and establishes its revenue structure. These determine how much flexibility a city or county has to increase revenue or reduce spending.

Some cities and counties have broader latitude than others in determining the bulk of their revenue. For example, the ability to raise property tax revenue through a tax rate increase may be subject to the approval of the city or county governing body alone, or it may also need the approval of local voters or another level of government. Cities and counties that can increase revenue without the approval of voters or other governments are more easily able to accommodate changes in expenditures. In addition, the revenue-raising ability of a city or county may be subject to local tax rate caps or levy limits. Other forms of city or county revenue may include sales taxes, income taxes, utility rates and various fees. The state ultimately controls the extent to which a city or county may determine its revenue. This is not the case for US Native American tribal nations, which are under the jurisdiction of the federal

government. Tribal nations have the right to make and enforce laws, to levy taxes and authorize expenditures, and to license and regulate activities within their borders.

In addition, cities and counties operate within different expenditure-cutting frameworks, e.g., cities and counties that are required to provide mandated services, such as public health or education, regardless of revenue, typically have lower flexibility to reduce costs than those that are not required to provide services, or that are only required to provide services if the state provides funding for those services.

How we assess it for the scorecard

In our assessment of this qualitative factor, we consider whether the institutional framework gives the city or county control over the majority of its revenue across governmental and business-type activities, and whether this revenue is subject to caps (such as on property taxes or utility rates), or other limitations. We consider whether revenue increases are subject only to the approval of the city's or county's own governing board, or additionally require the approval of local voters or another level of government. If approval is required by external parties, we consider the extent to which the city or county can increase revenue within the constraints. We also consider the extent to which a city or county can reduce expenditures outside externally imposed mandates and restrictions, e.g., outside any spending requirements, such as aid to local schools or support to public health systems. If our assessment of revenue characteristics is different from expenditure characteristics, we typically assign the factor score to the alpha category that reflects the more meaningful characteristic.

Most cities and counties in a given state receive the same score for this factor, except where the revenue-raising or expenditure-cutting framework of a category of cities or counties is materially different from others in the state under state law. We typically perform an assessment of city and county institutional frameworks on a statewide basis once a year.

Factor: Leverage (30% weight)

Why it matters

Leverage measures provide important indications of a city's or county's capacity to invest in capital assets and pay annual fixed costs, including debt service, while meeting its core responsibility to provide municipal services.

The more leveraged a city or county is, the less flexibility it has to pay debt service and meet its other obligations. High and rising costs related to debt service, retirement benefits or other large long-term liabilities can crowd out other service priorities, reducing a local government's ability to deliver on its core service mission. As a city's or county's financial capacity to deliver on its core service mission declines, the risk rises that it will default and seek to restructure its debt. High leverage may also diminish a city's or county's access to credit markets either due to statutory debt limits or a lack of investor willingness to extend credit.

This factor comprises two quantitative sub-factors:

Long-term Liabilities Ratio: (Debt + Adjusted Net Pension Liabilities + Adjusted Net OPEB Liabilities + Other Long-Term Liabilities) / Revenue

Debt, unfunded pension liabilities and unfunded other post-employment benefit (OPEB) liabilities typically represent the primary long-term financial obligations of a city or county; other types of material long-term liabilities may include compensated absences, claims and judgments, or liabilities related to environmental remediation. OPEB liabilities most often relate to retiree healthcare benefits. This factor provides a comprehensive view of a city's or county's leverage compared to the revenue that will support those obligations.

The ratio of the sum of debt, adjusted net pension liabilities (ANPL), adjusted net OPEB liabilities and other long-term liabilities from total governmental funds and business-type activities to revenue is an important indicator of total leverage.

Fixed-costs Ratio: Adjusted Fixed Costs / Revenue

The ratio of adjusted fixed costs to revenue provides an important indication of the annual financial burden associated with a city's or county's debt, pensions, OPEB obligations and other miscellaneous long-term liabilities relative to its revenue. The ratio also provides by proxy the percentage of revenue that remains available for the entity to provide core services after fixed costs are paid. A city or county with high fixed costs faces a greater challenge adjusting its expenditures than one with low fixed costs.

How we assess it for the scorecard

Scoring for this factor is based on two quantitative sub-factors: the Long-term Liabilities Ratio; and the Fixed-costs Ratio.

Long-term Liabilities Ratio: (Debt + Adjusted Net Pension Liabilities + Adjusted Net OPEB Liabilities + Other Long-Term Liabilities) / Revenue

The numerator is the sum of a city's or county's debt outstanding, ANPL, adjusted net OPEB liabilities and other long-term liabilities. When incorporating these four elements into the numerator, we typically include all long-term liabilities of a city or county reported in the governmental and business-type activities entries of the audited financial statements (i.e., the primary government, as reported). The denominator is revenue.

A city's or county's debt includes its long-term bonds and other obligations. Debt includes all forms of debt on a city's or county's governmental activities and business-type activities balance sheets and may include other obligations that are not reported on the balance sheet. Examples of debt include general obligation bonds; general promises to pay; lease-backed, appropriation and moral obligations; bond anticipation notes; special tax debt; revenue bonds; loans from the state; and leases.

A city's or county's debt also typically includes guarantees that it has provided for another entity's debt. We also typically include public-private partnership (P3 or PPP) agreements that contractually obligate the city or county to make scheduled payments. We typically include guarantees and P3 obligations in our assessment, regardless of their treatment in a city's or county's financial statements.[2]

Debt excludes debt such as short-term cash flow notes that are considered liabilities in calculating the Available Fund Balance Ratio and Liquidity Ratio but includes short-term debt that is not deducted from these ratios. Typically, we include bond anticipation notes in debt and exclude it from the Financial Performance ratios.

For a description of how we calculate or estimate ANPL and adjusted net OPEB liabilities, please see our cross-sector methodology that describes our adjustments to pension and OPEB data reported by Governmental Accounting Standards Board (GASB) issuers.[3]

Other long-term liabilities typically comprise the miscellaneous liabilities reported under the governmental and business-type activities entries in a city's or county's financial statements that are not included in debt, ANPL or adjusted net OPEB liabilities. These liabilities typically include compensated absences, claims and judgments, or liabilities related to environmental remediation.

Fixed-costs Ratio: Adjusted Fixed Costs / Revenue

For any period, the numerator is the sum of a city's or county's implied debt service, its pension tread water indicator, its OPEB contributions and its implied carrying costs for other long-term liabilities. The denominator is revenue. The four components of the numerator are described below.

Implied debt service

A city's or county's implied debt service represents the annual cost to amortize its debt over 20 years with level payments. The metric amounts to an implied carrying cost for debt. We use a 20-year amortization period to reflect the typical composite useful life of capital assets financed by cities and counties, which range from assets with long expected useful lives, such as police stations, to assets with short useful lives, such as sanitation trucks and technology improvements. The 20-year amortization period also provides a general composite of the weighted average maturity of a city's or county's debt.

We use a city's or county's implied debt service rather than its actual debt service as an input to the fixed-costs ratio for two key reasons. First, implied debt service provides a comparable measure of annual debt carrying costs across cities and counties. Using actual debt service in the ratio could have the effect of rewarding the backloading of debt amortization — in these cases, the current year ratio would understate the city's or county's growing fixed cost burden. Using actual debt service could also penalize more rapid debt amortization, because the current fixed-costs ratio would appear relatively weak. Second, implied debt service avoids potentially misleading volatility in actual debt service payments that can be caused by refunding (i.e., debt refinancing) activity.

We calculate or estimate implied debt service in several steps (see the exhibit below):

» **Step 1**: We assign a common implied interest rate to all cities and counties, approximately annually. We base the implied interest rate each year upon a 10-year rolling average of a high-grade municipal bond index, such as the Bond Buyer 20-bond GO index or a comparable index, as of the end of the prior calendar year (see line A).

» **Step 2**: A level-dollar amortization divisor is calculated, using a 20-year period, with debt service payments made annually, and the implied interest rate calculated in Step 1 (see line B).

» **Step 3**: The city's or county's debt outstanding, as defined in the numerator of the Long-term Liabilities Ratio, at the beginning of the fiscal year (i.e., its outstanding debt at the end of the prior year) is divided by the amortization divisor calculated in Step 2. The result is the implied debt service (see lines C and D).

Exhibit 4
Example calculation of implied debt service

Line item	Example issuer information	Value	Typical source
A	Implied interest rate (10-year rolling average as of end of prior calendar year)	3.70%	Bond Buyer 20-bond GO or comparable index
B	Amortization divisor	13.964	= {1 - [1 / (1+ A)^{20}]} / A
C	Debt outstanding, end of prior fiscal year	1,000,000	Audited financial statements
D	Implied debt service	$71,613	= C / B

Source: Moody's Ratings

In addition, we apply the same approach described above for calculating or estimating implied carrying costs of debt to our calculation of the implied carrying costs of other miscellaneous long-term liabilities, excluding ANPL and adjusted net OPEBs, for governmental and business-type activities.

Pension tread water indicator

The pension tread water indicator represents our estimate of the pension contribution necessary to prevent reported unfunded pension liabilities from growing, year over year, in nominal dollars, if all actuarial assumptions are met.[4] The pension tread water indicator is the sum of two components: the employer portion of the service cost and the implied interest on the reported net pension liability at the beginning of the plan's fiscal year.

OPEB contributions

The input to the fixed-costs ratio for OPEBs is a city's or county's actual contribution in a given period, typically the fiscal year. In the event a city or county issues pension or OPEB funding bonds, the deposit of the proceeds into a retirement system or trust is not considered a contribution in our analysis of fixed costs, nor in our analysis of pension contributions relative to the pension tread water indicator.

Notching factors

The scorecard includes notching factors. Our assessment of these notching factors may result in upward or downward adjustments to the preliminary outcome that results from the four weighted scorecard factors. Adjustments may be made in half-notch or whole-notch increments based on the notching factors listed in the table below.

In aggregate, the notching factors can result in a total of up to four and one-half upward notches or up to six downward notches from the preliminary outcome (the scorecard notching range) to arrive at the scorecard-indicated outcome. In cases where we consider that the credit weakness or credit strength represented by a notching factor, or by these factors in aggregate, is greater than the scorecard notching range, we incorporate this view into the city's or county's rating, which may be different from the scorecard-indicated outcome.

Exhibit 5
Notching factor table

Notching factor	Notching range
Additional Strength in Local Resources	0 to +2
Limited Scale of Operations	–1 to 0
Financial Disclosures	–2 to 0
Potential Cost Shift to or from the State	–1 to +1
Potential for Significant Change in Leverage	–2 to +1.5

Source: Moody's Ratings

Additional Strength in Local Resources

Why it matters

For some cities or counties, very high aggregate property values or extremely high resident income levels may provide credit strength that is not fully reflected in the Resident Income or Full Value per Capita sub-factors. Cities or counties with very high property values or extremely high adjusted MHI have greater revenue-generating capacity than most other cities or counties. For example, where the values of second homes and commercial properties augment the tax base, this strength may not be fully reflected in the weighted sub-factors.

How we assess it for the scorecard

In assessing this notching factor, we consider the following two metrics. Notching for this factor is cumulative. Notching for this factor is only upward, in part because extraordinarily weak adjusted MHI and Full Value per Capita are overweighted in the scorecard.[5]

» **Extremely high adjusted MHI**. We use the Resident Income sub-factor (the ratio of MHI (adjusted for RPP) to US MHI). We apply a one-half upward notch if the value is 200% to 250%. We apply one upward notch if the value is greater than 250%.

» **Very high full value per capita**. We use the Full Value per Capita sub-factor. This notching factor results in an adjustment of up to one upward notch for cities or counties whose ratios are high relative to peers. We apply a one-half upward notch if the full value per capita is $400,000 to $800,000 and one upward notch if it is greater than $800,000.

Limited Scale of Operations

Why it matters

Small scale is important because cities or counties with very small budgets are at greater risk of a budgetary disruption than cities or counties with large budgets, which typically have greater economies of scale. Event risks, such as an unexpected capital need or an adverse litigation outcome, can disrupt the budget of a city or county whose scale of operations is limited.

How we assess it for the scorecard

Scale is assessed using total revenue. This notching factor results in a downward adjustment of one-half notch for cities or counties whose revenue is between $4 million and $8 million and one notch for cities or counties whose revenue is less than $4 million. This notching factor does not result in upward notching because large size on its own does not reduce credit risk for cities and counties.

Financial Disclosures

Why it matters

Scorecard ratios may not accurately reflect all elements of a city's or county's financial position where certain financial disclosures are not provided in an issuer's financial statements, potentially understating credit risk.

How we assess it for the scorecard

Notching for this factor is applied cumulatively as explained below and is capped at two downward notches.

Cash basis reporting

For cities or counties that do not report non-cash assets and liabilities including receivables and payables, typically because they report on a cash basis, we apply one downward notch to reflect the risk that net cash may not be an accurate representation of the city's or county's available fund balance ratio.

Pension liabilities and pension costs

There is up to one cumulative downward notch related to pension disclosures.

For cities or counties whose financial statements do not follow GASB rules for the reporting of pension liabilities, we may use estimates for certain pension characteristics. We typically estimate pension liabilities based on partial information where we have data on one pension plan but not on the issuer's other plans. In such cases, we apply a one-half downward notch to reflect that adjusted liability values may be an imprecise reflection of the issuer's actual liabilities.

For cities or counties whose financial statements do not comply with GASB rules for the reporting of pension costs, we may not have sufficient information to calculate or estimate a pension tread water indicator. In these cases, we use actual pension contributions to calculate the Fixed-costs Ratio sub-factor, and we apply a one-half downward notch to reflect that actual pension contributions may be an imprecise or understated reflection of pension funding needs. Pension system financial reporting, which we often rely on to calculate the tread water indicator, can lag behind a city's or county's own financial reporting. In these cases, we may rely on a fixed-costs ratio that incorporates the tread water indicator from the prior year, but would not apply downward notching.

OPEB liabilities and OPEB contributions

There is up to one cumulative downward notch related to OPEB disclosures.

We typically estimate OPEB liabilities based on partial information where we have data on one OPEB plan but not on the issuer's other plans, and in such cases, we apply a one-half downward notch. We typically use a value of zero for a missing OPEB liability input where a city or county does not report this information, and in such cases, we typically apply a one-half downward notch.

We typically use a value of zero for a missing OPEB contribution input where a city or county provides OPEB benefits but does not report this information, and then apply a one-half downward notch.

Depreciation of capital assets

For cities or counties that do not report gross capital asset values or depreciation, we do not have sufficient information to assess the Potential for Significant Change in Leverage notching factor (see below), and we apply a one-half downward notch.

Potential Cost Shift to or from the State

Why it matters

In some cases, the state has recently taken or we expect that it may take future action to shift certain costs to a city or county or to absorb costs on its behalf, detracting from or adding to the city's or county's financial flexibility. A state may also take such action on a group of cities or counties or on all cities or counties in the state. These shifts can affect our view of a city's or county's credit strength, even where not yet reflected in historical metrics and where they cannot be quantified in our forward view of metrics.

A state is more likely to pass down costs during times of state budgetary stress and is more likely to provide additional funding when it is in a relatively strong financial position or has a political incentive to support certain local programs. For example, a state could shift pension costs to a city or county by requiring them to pay a higher proportion of annual pension contributions. As another example, a state could appropriate less money than in previous years for capital work or for certain forms of state aid. Conversely, states on occasion may take on a greater proportion of pension costs or capital funding or may provide additional aid or material new forms of aid.

How we assess it for the scorecard

In assessing the likelihood of a state government shifting material costs toward or away from cities or counties, we consider the state's budgetary position, spending priorities and political incentives to provide or reduce financial support for cities or counties. We also consider whether any shift in material costs is likely to be temporary or long-lasting, and whether it indicates a secular trend. We typically perform this assessment on a statewide basis, unless a potential state action affects only a subset of cities or counties, and we typically conduct the assessment once a year.

This notching factor may result in a downward or upward adjustment of up to one notch. Where notching is applied, it is typically applied to all of a state's cities or counties that we expect will be affected by the cost shift.

Potential for Significant Change in Leverage

Why it matters

The potential for a significant increase in leverage or fixed costs due to pension asset risk, slow or negative pension amortization or unmet capital needs can weaken a city's or county's ability to meet its obligations. These forward-looking risks may not be fully incorporated into the preliminary scorecard outcome. Alternatively, some cities and counties have comparatively much lower exposure to a significant change in leverage because they have no pension asset risk or have minimally depreciated capital assets.

How we assess it for the scorecard

Our assessment, based on total primary government reporting, uses the following metrics, if data are available. If data for one or more of the following metrics are not available, we would apply no notching based on the relevant metric in this notching factor and score this notching factor without those inputs. In addition, we would apply the Financial Disclosures notching factor, discussed above. Notching for this factor is cumulative and is capped at two downward notches or one and one-half upward notches.

» **Pension asset shock indicator (PASI)**. We use the pension asset shock indicator to assess a city's or county's exposure to potential pension system investment losses.[6] Cities and counties often have their own pension systems, but some participate in statewide pension systems as well. The PASI is expressed as a probability. It represents the likelihood that a city's or county's pension system(s) will experience investment losses in a given year that amount to 25% or more of the city or county's revenue. If a city or county has a PASI of 18%-23%, we notch downward by one-half notch. If a city or county has a PASI of 23% or higher, we apply one downward notch. While dependent on the combination of inputs, a PASI of 18% (i.e., an 18% likelihood of an investment loss equal to 25% of revenue) roughly translates to a 10% likelihood of losses amounting to 50% of a sponsoring government's revenue. A PASI of 23% roughly translates to a 15% likelihood of losses amounting to 50% of a sponsoring government's revenue, and a 5% likelihood of losses amounting to 100% of revenue.

» **Pension tread water gap**. The pension tread water gap reflects the difference between a city's or county's pension tread water indicator (or contribution benchmark)[7] and its actual pension contributions. To arrive at the pension tread water gap, we use a ratio; the numerator is the pension tread water indicator minus the city's or county's actual pension contributions in the most recent year, and the denominator is revenue. If a city's or county's tread water gap is equal to 5%-10% of its revenue, we notch downward by one-half notch. We notch downward an additional one-half notch for each five-percentage-point increase in the gap (i.e., 10%-15%, 15%-20%, 20% or higher), up to a maximum of two downward notches.

» **Defined contribution plan**. If the city or county does not have a defined benefit plan and instead has a defined contribution or similar plan, we apply one upward notch to reflect the lack of exposure to pension risk.

» **Capital asset depreciation ratio**. We use a ratio of accumulated depreciation to gross depreciable assets in a given year. If the ratio is lower than 25%, we notch upward by one-half notch to reflect the city's or county's very low level of capital asset depreciation. If the ratio is equal to 25%-65%, we do not apply notching. If the ratio is 65% or higher, we notch downward by one-half notch. A ratio above 65% indicates that reinvestment in capital assets (excluding non-depreciable assets such as land and construction-in-progress) is lagging behind depreciation. A ratio above 65% is also a signal of likely future debt issuance to improve or replace capital assets.

Exhibit 6

Notching factor: Potential for Significant Change in Leverage

	Level of notching						
	+1	+0.5	0	-0.5	-1.0	-1.5	-2.0
Notching metric							
Pension asset shock indicator (PASI)	n/a	n/a	< 18%	18% - 23%	≥ 23%	n/a	n/a
Pension tread water gap	n/a	n/a	< 5%	5% - 10%	10% - 15%	15% - 20%	≥ 20%
Defined contribution plan	Yes	n/a	n/a	n/a	n/a	n/a	n/a
Capital asset depreciation ratio	n/a	< 25%	25% - 65%	≥ 65%	n/a	n/a	n/a
						Sub-total before cap	+1.5 to -3.5
						Total factor notching	+1.5 to -2

Source: Moody's Ratings

Other considerations

Ratings may reflect consideration of additional factors that are not in the scorecard, usually because the factor's credit importance varies widely among the issuers in the sector or because the factor may be important only under certain circumstances or for a subset of issuers. Such factors can include financial controls and the quality of financial reporting; the quality and experience of management; assessments of governance as well as environmental and social considerations; and possible interference from other levels of government. Regulatory, litigation, liquidity and technology risk as well as changes in demographic and macroeconomic trends can also affect ratings.

The following are examples of additional considerations that may be reflected in our ratings and that may cause ratings to be different from scorecard-indicated outcomes.

Environmental, social and governance considerations

Where environmental, social and governance (ESG) issues are meaningful for credit profiles, we incorporate them into our ratings analysis in a variety of ways in the application of our sector-specific methodologies. As one part of our overall credit analysis, we consider how ESG considerations could affect the qualitative and quantitative factors and sub-factors in the scorecard.

Even where ESG considerations do not affect the measures in the scorecard, or where they cannot be quantified, we incorporate them into our overall analysis of credit drivers that are meaningful to the rating. As a result, we may incorporate these ESG risks qualitatively outside of the scorecard. As part of our ratings analysis, we may establish Issuer Profile Scores (IPSs), which indicate our opinion of the extent to which a given issuer is exposed to E, S and G risks (incorporating ESG-specific mitigants) or benefits from its exposure to E, S or G. The IPSs are inputs to credit ratings. For more information, please see our methodology that describes our general principles for assessing ESG risks.[8]

Environmental considerations, such as exposure to natural disaster risk, and social considerations, such as the risk of labor strikes, may influence credit strength.

Cities and counties may be directly exposed to extreme weather events due to climate change, such as floods, which may affect credit quality. Government facilities or investments in physical assets could be affected by physical risks and by other sources of environmental risk. Coastal cities and counties, in particular, are highly exposed to numerous environmental risks. Environmental hazards, such as hurricanes or wildfires, can result in an immediate adverse impact on economic activity and result in revenue disruption, while longer-term environmental trends, such as rising sea levels, can cause more prolonged pressure on budgeting and spending priorities.

Social considerations for cities and counties include positive and adverse trends in the statistical characteristics of populations (such as the percentage of the population at working age), labor market conditions, housing affordability and the poverty rate. For example, new home construction or business growth can improve a city's or county's revenue-generating capacity. As another example, a regional economic center may generate revenue from daytime visitors such as employees or shoppers who are not part of the city's or county's reported population. In contrast, unusually high unemployment or increasing poverty levels can strain a city's or county's capacity to generate revenue and provide social services. For example, where housing affordability is low, such risks can influence population and business retention, dampen property tax revenues and increase the cost of social services. They may lead to a declining tax base, diminished economic growth and higher social spending over time.

Some governance considerations are reflected in the qualitative Institutional Framework factor, including revenue-raising and spending flexibility. Additional considerations may include debt management, multiyear fiscal planning, the timeliness of information disclosure, and legislation or other legal action that materially affects a city's or county's expenditures or revenue, such as a lawsuit that challenges a levy. We may also consider management's ability to develop and adhere to budgets that provide for capital investment while managing debt levels and unfunded retirement liabilities. Weak or opaque governance can negatively affect a city's or county's performance, which can reduce taxpayer willingness to support the city's or county's revenue needs and can constrain capital market access. Conversely, very strong governance can lead to outcomes that foster economic growth or to measures that effectively mitigate certain kinds of credit-negative governance exposures.

ESG considerations are not always negative, and they can be a source of credit strength in some instances. For example, a strong labor market, and relatively good housing affordability can drive strong tax revenue trends and foster economic growth. External support, such as state or federal government funds for natural disaster relief, can help to mitigate the credit impact of ESG exposures.

Liquidity

Liquidity is an important rating consideration for all issuers, and extremely weak liquidity can heavily affect ratings in many cases. However, the relative strength or weakness of liquidity may not have a substantial impact in discriminating between two issuers with an otherwise similar credit profile. Liquidity can be particularly important where issuers have large short-term demands on liquidity, for example where tax revenues are highly seasonal. While liquidity is specifically considered in the scorecard, when it is very weak, near-term default risk may be elevated and the impact liquidity has on ratings may be much greater than the standard scorecard weight would imply. We form an opinion on likely near-term liquidity requirements from the perspective of both sources and uses of cash.

In our forward view of liquidity, we typically consider the city's or county's own sources of liquidity as well as its market access. In our assessment, we may use scenario analysis, including a scenario where market access is lost.

In addition, cash flow or deficit financing could indicate an unbalanced budget or financial stress. For distressed cities or counties, access to financing from public markets or banks could be a stopgap to defer a liquidity crisis. The loss of such market access could be a prelude to debt restructuring and possibly a default.

History of missed debt service payments

A past default on rated or unrated obligations indicates a heightened risk of failure to meet financial obligations going forward, especially if the credit drivers of the default have not been cured. In addition, a history of default can indicate weak or wavering willingness to take necessary steps to avoid a future default. We include in this category missed or materially late payments on any of a city's or county's long-term bonds or short-term notes, reflecting an inability or unwillingness to pay, and we typically include defaults on contingent obligations, including moral obligations. We place less emphasis on this consideration in cases where a city or county has demonstrated an ability and willingness to address the credit drivers behind a default.

Unusual strengths or weaknesses related to budgets

Unusually volatile or unpredictable revenue sources or expenditures can result in budget imbalances and reduce fund balance and cash reserve stability. We may consider recent or expected volatility in revenue or expenditures that is not already captured in the scorecard. We may also qualitatively consider a city's or county's financial flexibility to the extent that it is not captured in the scorecard.

Revenue or expenditure timing issues may overstate or understate fund balance or cash at year end, and we may consider the issuer's financial position at other points of the year. We also qualitatively assess the extent of pass-through revenue, such as state aid earmarked for a county's schools, that is captured as revenue in scorecard metrics but is not available for primary government activities.

In addition, high delinquencies in revenue collection can be an indication of low affordability of government service charges, low support for the government or weaknesses in the administration of revenue collection, all of which can constrain a city's or county's credit strength. Collection rates have been typically high in this sector, approaching 100%.

Strengths or weaknesses related to economic concentration

Economic concentration can be an important consideration because cities and counties that rely heavily on a single taxpayer or industry can be particularly vulnerable to revenue losses, especially if the industry is weak or volatile. Sometimes these losses are sudden, such as when a large local employer closes on short notice. We consider the economic drivers of each key industry and the likely trajectory of those drivers.

In addition, the presence of some types of industries in a city or county, such as state government, higher education or the military, can stabilize or strengthen a city's or county's economic base by supporting steady population growth and acting as a draw for economic activity from students, military personnel and their visitors. In our analysis, we typically consider the likelihood that the activity will continue to contribute materially to the city's or county's population and economy.

Fund-specific financial considerations

The scorecard metrics incorporate all governmental and business-type activities. These metrics capture the fundamental credit strength of a city or county across all of its primary activities. However, in some cases, the incorporation of all governmental and business-type activities in scorecard metrics may obscure strengths or weaknesses of the overall credit profile.

For example, our analysis typically includes consideration of restrictions on the ability to move money across governmental activities funds and business-type activities funds. Where meaningful restrictions exist, the scorecard metrics may overstate the fund balance and liquidity available to a city or county for general purposes. Airport funds may fall into this category due to Federal Aviation Administration (FAA) restrictions on the use of airport revenues.

In addition, fund balances and cash balances that are reported as restricted are considered qualitatively. For example, we typically consider restricted fund balances that are available for core governmental operations (e.g., fund balances dedicated to public safety operations) or rainy day funds as providing additional financial flexibility not reflected in the scorecard. In contrast, we typically do not consider restricted fund balances consisting of bond proceeds to be resources that provide additional operating flexibility.

Competitive enterprise risk in governmental or business-type activities

While scorecard metrics incorporate all governmental or business-type activities reported in financial statements, market competition in certain of these activities may present additional credit risk that is not fully captured in the scorecard-indicated outcome. For example, the operation or ownership of a hospital, nursing home, sports stadium or economic development project is typically affected by competitors' service mix, pricing and market share. Where a function of a city or county is exposed to competitive market risks, we may additionally consider historical and forward-looking metrics that are outside the scorecard, e.g., metrics related to that enterprise's sector, as well as the extent of competition and the enterprise fund's financial condition.

Credit strength or weakness associated with component units or other related entities

A city or county may be closely related to a separate entity, such as a discretely presented component unit. Some cities or counties may support that entity through managerial oversight, direct financial assistance or by issuing debt on behalf of the entity. The willingness to extend such extraordinary support often reflects a particular priority (e.g., economic development). Depending upon the circumstances, this support can be temporary or extended. Extraordinary support that is material in relation to the city's or county's own financial and economic resources could weaken its credit profile.

In such scenarios, we assess, among other things, the financial condition of the separate entity as an indicator of the likelihood that the city or county will need to support it, the extent of such support and the effect on the city's or county's credit quality.

An unexpected call on a contingent liability of a city or county, such as a debt service guarantee, can also reduce credit strength. We typically would consider the guaranteed entity's amount of debt, market access, debt structure and legal issues that could limit the flexibility of the city or county in the event it had to pay the entity's debt service or manage its operations.

There may also be circumstances in which a default of a separate entity that is outside the primary government, even if the debt is not guaranteed or is otherwise non-recourse to the city or county, may reflect poorly on the city's or county's overall governance and debt management practices and may negatively affect credit quality.

In addition, there may be circumstances where a separate entity outside the primary government enhances a city's or county's credit quality by providing ongoing support. For example, a utility system that is a component unit of a city or county could provide a recurring and predictable source of revenue for the city or county. In these cases, we would assess the financial condition of the entity as an indicator of its capacity to continue providing revenue.

Related local governments

In some cases, other governments related to a city or county affect its credit strength. The same taxpayers that support the debt and activities of the city or county typically also support the debt and activities of overlapping local government entities, such as a local school district. The expenses and the debt, pension and OPEB burdens of these overlapping entities can elevate total tax rates or bills, thus impeding the willingness or ability of a city or county to generate additional revenue, even where legally permitted to do so.

Some cities or counties are members of a regional government or enterprise, e.g., a regional jail that provides jail services to member towns. Such cities or counties can face unique risks, such as the possibility of a change in the proportionate membership of participating jurisdictions, which can change the percentage of expenses billed to the remaining members.

Likelihood of receiving extraordinary or ongoing support

Some cities and counties receive extraordinary support from a higher level of government, such as the state, or, more rarely, from the federal government, typically to help the city or county avoid a default on debt obligations. In some cases, extraordinary support may come from another local government. For example, a county may provide assistance to a nearby city undergoing financial distress.

The circumstances surrounding extraordinary support for a city or county are often very situation-specific. For example, a state may provide meaningful financial or managerial support to a city or county undergoing stress, thereby bolstering a weak fundamental credit profile and materially lowering the risk of a payment default. Conversely, a temporary infusion of state funds may bolster financial performance in the short term but leave a city or county exposed to rapid financial deterioration if the state aid does not continue.

We typically assess whether the support has been received or is imminent, whether it will be ongoing and whether it will be sufficient to stabilize the city or county. We would typically give positive consideration where the support is material and not already reflected in scorecard metrics. We also consider the associated benefits or risks of dependence on such support. Alternatively, many cities and counties receive annual funding from their state government for programs such as education and transportation. This type of state funding is often earmarked, and we do not consider it to be extraordinary support.

Financial controls

We rely on the accuracy of audited financial statements to assign and monitor ratings in this sector. The quality of financial statements may be influenced by internal controls, including the proper tone at the top, centralized oversight of operations, and consistency in accounting policies and procedures. Auditors' reports on the effectiveness of internal controls, auditors' comments in financial reports and unusual restatements of financial statements or delays in regulatory filings may indicate weaknesses in internal controls.

Unusual risk or benefit posed by long-term liabilities

Most cities and counties issue fixed-rate debt that amortizes over a multiyear period. Cities and counties that have variable-rate debt, debt with bullet maturities or capital appreciation bonds, derivatives such as interest rate swaps or other forms of debt that are subject to remarketing risk may be more exposed to liquidity demands or may require market access for refinancing, which can place downward pressure on credit quality. Liquidity and market access risks can also arise with variable-rate demand obligations and bonds that contain provisions that allow debtholders to put bonds back to the issuer. The potential adverse credit effects of variable-rate demand obligations are assessed in the context of the overall credit profile and circumstances of each issuer. In addition, a large amount of short-term debt without sufficient offsetting liquidity can expose a city or county to market access risks.

A city or county that is rapidly paying off debt or other long-term liabilities with recurring revenue typically has greater financial flexibility, which may result from a conservative financial policy and may indicate strengthening credit. Conversely, if a city's or county's current debt service costs are very high and are causing financial stress that is not fully captured in the implied debt service input to the Fixed Costs Ratio in the scorecard, the actual rating may be lower than the scorecard-indicated outcome.

Also, we may conclude that a city's or county's adjusted net pension or adjusted net OPEB liability is likely to grow due to pension funding law or policy, resulting in insufficient contributions, overly optimistic assumptions for the return on pension plan assets or other factors. Conversely, we may conclude that a city's or county's adjusted net pension or adjusted net OPEB liability is likely to diminish in light of pension benefit changes or larger contributions. We may also incorporate a qualitative assessment of the trajectory of net pension and net OPEB liabilities over the medium- to long-term.

Expected decline or improvement in instrument-level credit quality

Expectations of a marked decline in credit quality (e.g., debt service coverage) on any debt pledge of a city or county could indicate weakening credit quality of the city or county itself that is not yet reflected in the scorecard. Conversely, an expected material improvement in instrument-level credit quality may indicate improving credit quality of the city or county. Overall, a change in the credit quality of any instrument of a city or county could indicate shifts in the credit quality of the city or county itself, e.g., through financial or governance ties between the instrument and the city's or county's overall operational and financial strength.

Considerations specific to US Native American tribal nations

Unlike cities and counties, US Native American tribal nations operate under the jurisdiction of the federal government and not under the jurisdiction of any state. Tribal nations have the right to make and enforce laws, to levy taxes and authorize expenditures, and to license and regulate activities within their borders. An additional consideration is the extent to which a tribal nation has waived its sovereign immunity with respect to creditor protections. In the absence of such a waiver, creditors may not have the ability to enforce their rights, potentially leading to a significantly higher expectation of loss upon an event of default, which we would incorporate in the issuer rating.

Event risk

We also recognize the possibility that an unexpected event could cause a sudden and sharp decline in a city's or county's fundamental creditworthiness, which may cause actual ratings to be lower than the scorecard-indicated outcome. Event risks — which are varied and can include natural disasters, sudden changes in state law or regulation, material litigation, pandemics or cybercrime events — can have a material credit impact on even a stable city or county.

Additional metrics

The metrics included in the scorecard are those that are generally most important in assigning ratings to issuers in this sector; however, we may use additional metrics to inform our analysis in specific cases. These additional metrics may be important to our forward view of metrics that are in the scorecard or other rating factors.

Using the scorecard to arrive at a scorecard-indicated outcome

1. Measurement or estimation of factors in the scorecard

In the "Discussion of the scorecard factors" section, we explain our analytical approach for scoring each scorecard factor or sub-factor, and we describe why they are meaningful as credit indicators. When a factor comprises sub-factors, we score at the sub-factor level. Some factors do not have sub-factors, in which case we score at the factor level.

The information used in assessing the sub-factors is generally found in or calculated from information in the city's or county's audited financial statements or regulatory filings, derived from other observations or estimated by Moody's analysts. We may also incorporate non-public information.

Scorecard metrics typically include the accounts reported in the governmental and business-type activities entries of a city's or county's audited financial statements (i.e., the primary government's audited financial statements, as reported). Typical examples of governmental funds include a city's or county's General Fund and Debt Service Fund. Typical examples of business-type activity funds include water and sewer enterprise funds. The actual governmental or business-type activity funds that pertain to a specific city or county may vary.

Our ratings are forward-looking and reflect our expectations for future financial and operating performance. However, historical results are helpful in understanding patterns and trends of a city's or county's performance as well as for peer comparisons. Financial ratios, unless otherwise indicated, are typically calculated based on an annual or 12-month period. However, the factors in the scorecard can be assessed using various time periods. For example, rating committees may find it analytically useful to examine both historical and expected future performance for periods of several years or more.

Information on how we calculate metrics that relate to pension and OPEB obligations can be found in our cross-sector methodology that describes our adjustments to pension and OPEB data reported by GASB issuers.[9] Financial metrics may incorporate analytical adjustments that are specific to a particular city or county.

2. Mapping scorecard factors to a numeric score

After estimating or calculating each factor or sub-factor, each outcome is mapped to a broad Moody's rating category (Aaa, Aa, A, Baa, Ba, B, Caa or Ca, also called alpha categories) and to a numeric score.

Qualitative factors are scored based on the description by broad rating category in the scorecard. The numeric value of each alpha score is based on the scale below.

Exhibit 7
Numeric equivalents for qualitative factor and sub-factor scores

Aaa	Aa	A	Baa	Ba	B	Caa	Ca
1	3	6	9	12	15	18	20

Source: Moody's Ratings

Quantitative factors are scored on a linear continuum. For each metric, the scorecard shows the range by alpha category. We use the scale below and linear interpolation to convert the metric, based on its placement within the scorecard range, to a numeric score, which may be a fraction. As a purely theoretical example, if there were a ratio of revenue to interest for which the Baa range was 50x to 100x, then the numeric score for an issuer with revenue/interest of 99x, relatively strong within this range, would score closer to 7.5, and an issuer with revenue/interest of 51x, relatively weak within this range, would score closer to 10.5. In the text or table footnotes, we define the endpoints of the line (i.e., the value of the metric that constitutes the lowest possible numeric score, and the value that constitutes the highest possible numeric score).

Exhibit 8
Ranges of numeric equivalents for quantitative factor and sub-factor scores

Aaa	Aa	A	Baa	Ba	B	Caa	Ca
0.5 - 1.5	1.5 - 4.5	4.5 - 7.5	7.5 - 10.5	10.5 - 13.5	13.5 - 16.5	16.5 - 19.5	19.5 - 20.5

Source: Moody's Ratings

3. Determining the overall scorecard-indicated outcome

The numeric score for each sub-factor (or each factor, when the factor has no sub-factors) is multiplied by the weight for that sub-factor (or factor). A further weighting is then applied by scoring category as shown in the table below.

Exhibit 9
Weighting by scoring category

Aaa	Aa	A	Baa	Ba	B	Caa	Ca
1	1	1	1	1	4	8	8

Source: Moody's Ratings

We weight the three lowest scoring categories more heavily than higher scores in this scorecard because a serious weakness in one area often cannot be completely offset by strength in another.

The actual weighting applied to each sub-factor is the product of that sub-factor's standard weighting and its overweighting, divided by the sum of these products for all of the sub-factors (an adjustment that brings the sum of all the sub-factor weightings back to 100%).

The numeric score for each sub-factor is multiplied by the adjusted weight for that sub-factor, with the results then summed to produce an aggregate numeric score before notching factors (the preliminary outcome). We then consider whether the preliminary outcome that results from the weighted factors should be notched upward or downward in order to arrive at an aggregate numeric score after notching factors. Numerically, a downward notch adds 1 to the score, and an upward notch subtracts 1 from the score. In aggregate, the notching factors can result in a total of up to four and one-half upward notches or up to six downward notches from the preliminary outcome to arrive at the scorecard-indicated outcome.

The aggregate numeric score before and after notching factors can be mapped to an alphanumeric. For example, an issuer with an aggregate numeric score before notching factors of 11.7 would have a Ba2 preliminary outcome, based on the ranges in the table below. If the combined notching factors totaled two upward notches, the aggregate numeric score after notching factors would be 9.7, which would map to a Baa3 scorecard-indicated outcome.

Exhibit 10
Scorecard-indicated outcome

Aggregate numeric score	Scorecard-indicated outcome
x ≤ 1.5	Aaa
1.5 < x ≤ 2.5	Aa1
2.5 < x ≤ 3.5	Aa2
3.5 < x ≤ 4.5	Aa3
4.5 < x ≤ 5.5	A1
5.5 < x ≤ 6.5	A2
6.5 < x ≤ 7.5	A3
7.5 < x ≤ 8.5	Baa1
8.5 < x ≤ 9.5	Baa2
9.5 < x ≤ 10.5	Baa3
10.5 < x ≤ 11.5	Ba1
11.5 < x ≤ 12.5	Ba2
12.5 < x ≤ 13.5	Ba3
13.5 < x ≤ 14.5	B1
14.5 < x ≤ 15.5	B2
15.5 < x ≤ 16.5	B3
16.5 < x ≤ 17.5	Caa1
17.5 < x ≤ 18.5	Caa2
18.5 < x ≤ 19.5	Caa3
19.5 < x ≤ 20.5	Ca
x > 20.5	C

Source: Moody's Ratings

In general, the scorecard-indicated outcome is oriented to the issuer rating.

Assigning issuer-level and instrument-level ratings

After considering the scorecard-indicated outcome, other considerations and relevant cross-sector methodologies, we typically assign an issuer rating to a city or county.

Individual debt instrument ratings assigned using this methodology for general obligation unlimited tax, general obligation limited tax, general promises to pay, lease and contingent obligations, and special tax pledges may be assigned at the same level or higher or lower than the issuer rating. These differences reflect our assessment of differences in expected loss related to an instrument's priority of claim as well as our assessment of the specific pledge included in the instrument's terms. Broad guidance for decisions on assigning instrument ratings relative to the issuer rating can be found in the appendix. Guidance for rating city and county short-term debt is provided in our methodologies for short-term obligations, and guidance for the ratings of city and county long-term debt instruments not discussed in the appendix is provided in the relevant security-specific methodologies.[10]

Key rating assumptions

For information about key rating assumptions that apply to methodologies generally, please see *Rating Symbols and Definitions*.[11]

Limitations

In the preceding sections, we have discussed the scorecard factors and many of the other considerations that may be important in assigning ratings. In this section, we discuss limitations that pertain to the scorecard and to the overall rating methodology.

Limitations of the scorecard

There are various reasons why scorecard-indicated outcomes may not map closely to actual ratings.

The scorecard in this rating methodology is a relatively simple tool that can be used in most cases to approximate credit profiles of issuers in this sector and to explain, in summary form, many of the factors that are generally most important in assigning ratings to these issuers. Credit loss and recovery considerations, which are typically more important as an issuer gets closer to default, may not be

fully captured in the scorecard. The scorecard is also limited by its upper and lower bounds, causing scorecard-indicated outcomes to be less likely to align with ratings for issuers at the upper and lower ends of the rating scale.

The weights for each factor and sub-factor in the scorecard represent an approximation of their importance for rating decisions across the sector, but the actual importance of a particular factor may vary substantially based on an individual issuer's circumstances.

Factors that are outside the scorecard, including those discussed above in the "Other considerations" section, may be important for ratings, and their relative importance may also vary from issuer to issuer or from instrument to instrument. In addition, certain broad methodological considerations described in one or more cross-sector rating methodologies may be relevant to ratings in this sector.[12] Examples of such considerations include the following: how sovereign credit quality affects non-sovereign issuers, the assessment of credit support from other entities, and the assignment of short-term ratings.

We may use the scorecard over various historical or forward-looking time periods. Furthermore, in our ratings we often incorporate directional views of risks and mitigants in a qualitative way.

General limitations of the methodology

This methodology document does not include an exhaustive description of all factors that we may consider in assigning ratings in this sector. Cities and counties may face new risks or new combinations of risks, and they may develop new strategies to mitigate risk. We seek to incorporate all material credit considerations in ratings and to take the most forward-looking perspective that visibility into these risks and mitigants permits.

Ratings reflect our expectations for an issuer's future performance; however, as the forward horizon lengthens, uncertainty increases and the utility of precise estimates, as scorecard inputs or in other considerations, typically diminishes. Our forward-looking opinions are based on assumptions that may prove, in hindsight, to have been incorrect. Reasons for this could include unanticipated changes in any of the following: the macroeconomic environment, general financial market conditions, disruptive technology, or regulatory and legal actions. In any case, predicting the future is subject to substantial uncertainty.

Appendix: Assigning instrument ratings for US cities and counties

In this appendix, we describe our general principles for assessing how an instrument's particular characteristics affect its credit risk, more specifically the instrument's probability of default and loss upon an event of default. Credit risk of individual debt instruments of cities and counties may be different from what is reflected in the issuer rating.

We also provide guidance for assigning individual debt instrument ratings relative to the issuer rating based on these considerations. Differences, if any, in credit risk among instruments of the same issuer may arise from the specific pledge included in the instrument's terms, the instrument's priority of claim and the nature of the instrument (e.g., whether it is a contingent or a non-contingent obligation). As a result, instrument considerations may lead to an instrument rating at the same level as the issuer rating or the application of upward or downward notches from the issuer rating.

Analytic elements and why they are important

In this section, we describe some of the analytic elements of the typical structural features of debt instruments in the sector, and why they are important. Individual instruments may include a variety of permutations of these analytic elements. We divide instruments into three groups of pledges that are typical in the sector: (i) real property-based pledges; (ii) non-contingent general promises to pay and contingent obligations; and (iii) special tax pledges.

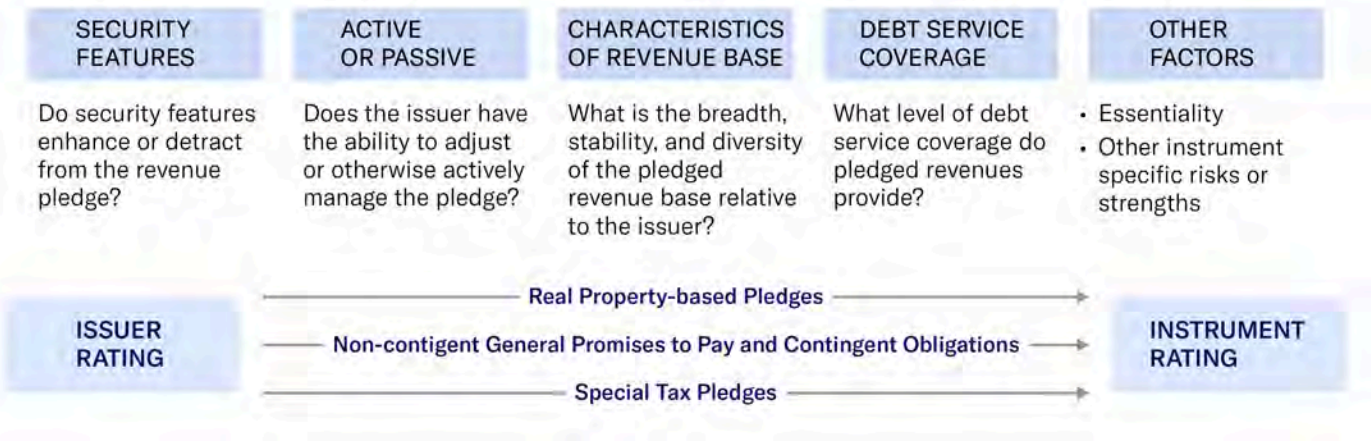
For each instrument type, we evaluate the instrument's security features, including whether the debt obligation is contingent or non-contingent. We also consider whether the pledge, if any, is active or passive. Based on these characteristics, we may also assess the characteristics of the revenue base available to pay debt service on the debt instrument, debt service coverage and other factors. We consider the aggregate (typically cumulative) effect of these structural analytic elements to arrive at the assigned instrument rating. In most cases, notching for the various analytic elements is cumulative; however, there may be circumstances where one analytic element mitigates or exacerbates the credit effect of another analytic element.

Some instruments may have characteristics of more than one instrument type, and we may consider elements from more than one approach in determining the extent of notching. For example, a city or county may pledge specific special taxes and real property tax for the repayment of a debt issuance. In assigning instrument ratings we also consider the relative risk of a city's or county's various types of debt instruments, i.e., any differences in probability of default or severity of loss to creditors in the event of a default, within the context of the issuer's entire debt portfolio. For example, we would consider the relative rating relationship between a contingent obligation and a narrow special tax instrument.

The exhibit below illustrates the general analytical considerations to determine the instrument level assigned relative to the issuer rating.

Exhibit 11

General approach for assigning instrument ratings



Source: Moody's Ratings

Security Features

Why it matters

Security features set the framework for our overall debt instrument analysis because these features may enhance or weaken the instrument's credit risk relative to the credit risk indicated by the issuer rating. Security Features include the specific revenue pledge, if any, that an issuer grants to bondholders.

A fundamental security consideration is whether the pledge is contingent or non-contingent. Contingent obligations are typically weaker than non-contingent obligations, all else being equal (as described below). Contingent debt is an obligation where the bondholder has no long-term claim and the stated promise to pay depends on an additional action by the issuer or on the availability of a pledged asset. A typical contingency requires an issuer to appropriate funds to pay debt service annually; each appropriation renews the pledge for another year. There are other types of contingencies, such as a requirement for a leased asset to remain available for a city's or county's use or occupancy in order for a city or county to remain obligated to make lease payments.[13] Typically, contingent obligations are not considered debt under state statutes, which is often a reason why these instruments are employed; they also do not typically require voter approval. It is important to look through the nominal debt type to the underlying characteristics of the pledge to understand whether it is contingent or non-contingent.

The physical and legal separation of pledged revenue from the issuer's control is another important security feature. This can be accomplished through the combination of a lockbox and a valid security interest, such as a lien that is granted pursuant to statute and that makes holders of the pledge secured creditors. Both are important security features because a lockbox provides physical separation and a security interest provides legal separation through a property interest in pledged revenues. Other securitization or structural features that create physical and legal separation may also achieve the same result.

In the case of a lockbox, funds from tax collections or intergovernmental transfers are transferred directly from a third-party tax collector or grantor, often another government, to the trustee for the bonds. The lockbox segregates the revenue dedicated to debt service from the issuer's accounts and control. The lockbox feature can lessen the likelihood of default because it creates a separation from the issuer's operations and other funds. When combined with legal separation, a lockbox can also be a positive credit factor in recovery, as described below. In some states, certain pledges are secured by statute when executed properly. Such statutorily secured debt is reasonably expected to have lower probability of default and higher recovery in an insolvency scenario than unsecured debt. While these structures are largely untested in a default scenario, under federal bankruptcy law secured debtholders have priority over unsecured debtholders and other unsecured creditors in a reorganization. Together, a lockbox and statutory provisions for secured status, like a lien, may enhance recovery prospects compared with other debt. Both features are necessary to provide separation of the pledged revenue from the issuer's control and a security interest that makes the bondholders' interest in the pledged revenue that of a secured creditor.

We typically consider these security features to be ineffective where the issuing government has the ability to change the flow of funds to the lockbox, where the third party collecting pledged revenues has not carried out its lockbox obligations or in similar circumstances where we consider the legal separation to be weak. We also typically consider these security features to be ineffective where there are historical or ongoing significant legal challenges.

Active or Passive Pledges

Why it matters

The active or passive nature of a pledge is important because it can differentiate whether the issuer has promised to raise revenue to pay debt service or otherwise has the legal ability to do so. In this context, a pledge means the revenue that is effectively designated in the transaction documents as being available to pay debt service on the instrument. This designation may be explicit, such as a pledge of real estate tax revenue or of a 2% hotel tax revenue, or implicit, such as a general promise to pay from revenue that is not specifically pledged to other debt obligations. We consider a pledge to be active if the issuer can increase the revenue stream (e.g., by raising tax rates or fees) without meaningful limitation or additional approvals from voters or other governments. We consider a pledge to be passive if the issuer can increase the pledged revenue stream only after securing voter approval or other external approvals, often from the state government, or if there are specific legal or practical limitations on the pledged revenue stream, e.g., tax rate limitations.

In these cases, revenue to pay debt service typically depends on the performance of the revenue base, e.g., economic growth, and thus is more vulnerable than the issuer's overall revenue to economic decline.

For special tax pledges, our treatment of active versus passive pledges does not differentiate between those where the issuer has promised to raise revenue and those where the issuer has the legal ability to raise revenue but has not promised to do so, because adjusting the rate or amount of the revenue pledged to the instrument is not generally the principal mechanism by which most governments actively manage special tax pledges.

Characteristics of the Revenue Base
Why it matters

The promise to pay and the revenue pledge, if any, embedded in the instrument delineate the relationship between the issuer's total revenue and economic base, which are considered in its issuer rating, and the revenue base that is available to pay debt service of a specific instrument.

The breadth, stability and diversity of the revenue base available for debt service relative to the issuer's total revenue base provide important indications of the relative strength or weakness of the obligation. If the revenue base from which debt service will be paid is materially more narrow or less stable than the broad revenue base that is reflected in the issuer rating, a bondholder may face more risk than is indicated in the issuer rating, e.g., bondholders may have limited recourse if the specific pledged revenue is insufficient to meet debt service on the related obligations. However, in some cases, a technically narrower pledge can still be robust.

Debt Service Coverage
Why it matters

For some instrument types, debt service coverage is an important indicator of the sufficiency of the available revenue to meet debt service payments, e.g., where the dedicated revenue stream is limited. If there is material excess revenue, the relevant bonds have lower exposure to potential variations in the revenue stream.

Debt service coverage is also an important indicator of revenue sufficiency where pledged revenues are more sensitive to economic changes and other disruptions, e.g., with special tax revenue pledges.

Other Factors
Why it matters

Additional factors, some of which vary by pledge or security type, may also affect the risk of a given debt instrument relative to the credit strength of the issuer. Following are some examples:

» For contingent obligations, where there is one or more leased or financed asset or function, essentiality is important because it can indicate the likelihood that an issuer will choose to appropriate funds to pay the lease. For an abatement lease, the more important the pledged asset or function is to the borrower, the more likely it is that the borrower will ensure that it is repaired in an abatement circumstance.

» In some instruments, there may be a sunset provision in the pledge that precedes the maturity of the debt obligation.

» Where a pledge type is subject to unanticipated legal challenges, an individual debt instrument may be vulnerable to non-payment even if the issuer is not undergoing stress.

» Where an issuer's debt includes a significant amount of derivatives such as interest rate swaps that are exposed to liquidity demands or that may require market access for refinancing, this may result in meaningful additional risk to the holders of the instrument.

» For US Native American tribal nations, if a nation were to waive its sovereign immunity with respect to a specific instrument but not with respect to creditor interests in general, the instrument rating would reflect the positive credit impact of this waived immunity.

General guidance for assigning individual debt instrument ratings

In assigning instrument ratings, we consider all of the analytic elements relevant to the specific debt issuance and their impact. In this section and the pledge-specific sections that follow, we provide guidance on the typical range of notching for common security types. For each major security type, the guidance for assigning a rating is described by analytic element and is typically cumulative. However, actual ratings may be different from the guidance where there is unusual strength or weakness in the legal structure or revenue base, in the terms of the debt instruments, or in the relation of an issuer to the obligation, e.g., where the issuer or instrument is in financial distress.

Other issuer-specific or instrument-specific considerations may also be relevant.

Where an issuer is undergoing financial distress, we may widen or narrow the rating differentials between the issuer rating and the rating of any specific obligations, based on our view of the relative probabilities of default and relative loss rates upon default. In these instances, the anticipated recovery rate for an obligation would be a more important rating consideration than our general principles for assigning instrument-level ratings. Our views of relative expected loss would generally be informed by state or federal case law within the relevant jurisdiction and other meaningful issuer-specific risk factors that may indicate the issuer's relative willingness and ability to pay various types of obligations.

Outside of a stress scenario, upward notching of an instrument above the issuer rating is typically limited to one notch, because there is inherent uncertainty in the potential for any structural feature to reduce loss severity relative to the typically broad revenue pledge associated with instruments rated at par with the issuer rating and uncertainty given limited default and recovery experience.

The guidance below for assigning instrument-level ratings is divided into three groups of pledges that are typical in this sector: (i) real property-based pledges; (ii) exhibit promises to pay and contingent obligations; and (iii) special tax pledges.

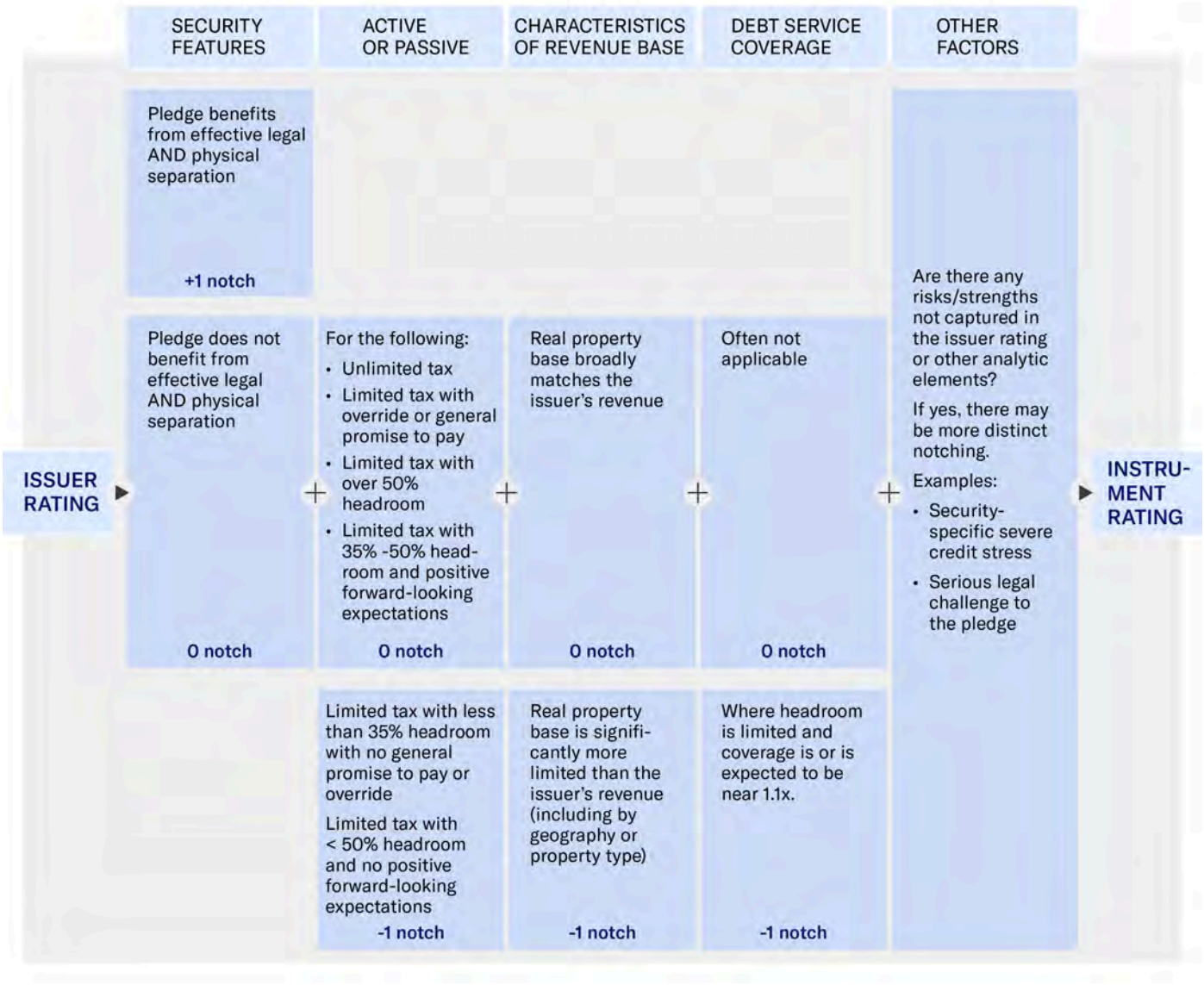
Real property-based pledges

In a real property-based pledge, the issuer pledges taxes that are levied on real property or other real property-related revenue. Typically, a city's or county's tax base includes property that is categorized in many sub-groupings, including real, personal, tangible and mineral property. The type of property subject to ad valorem taxation varies by state. These pledges can be active or passive but are, by definition, non-contingent. Examples of real property-based pledges include general obligation unlimited tax (GOULT) and general obligation limited tax (GOLT) pledges.

Overall, a major consideration for all securities within the real property-based pledge grouping is whether the city or county can adjust without limit the tax rate that generates the pledged revenue. We also consider how meaningful the limitation is. Where we consider the limitation to be material, the instrument rating is typically one notch below the issuer rating.

Exhibit 12

Real property-based pledges: Illustrative notching



Source: Moody's Ratings

General obligation unlimited tax pledge

While a GOULT pledge often includes a general promise of the issuer to pay the obligation (the specific language may vary; an example is a full faith and credit pledge), the key differentiating feature is the pledge to levy ad valorem taxes, without limit as to rate or amount, sufficient to make timely payment of debt service. Ad valorem taxes are based on the value of property. Because of the breadth of the pledge, most GOULT instrument ratings are at the same level as the issuer rating.

How we assess it

Security Features

Where a GOULT pledge provides physical and legal separation of pledged revenue from the issuer's control, typically through a lockbox and valid security interest, such as a lien, and we consider these to be effective, there is typically one upward notch for this analytic element. While the presence of only one of these elements may provide a modest benefit, it is not sufficient to provide uplift from the issuer rating.

We may not consider these security features to be effective where the responsible governments have not carried out their lockbox obligations, where we think the legal separation is weak or where there have been successful legal challenges to the separation.

Active or Passive Pledge

These are, by definition, active pledges. There is no notching for this analytic element.

Characteristics of the Revenue Base

Where the GOULT pledge encompasses all or substantially all of the issuer's tax base, there is no notching for this analytic element. Where we consider that the revenue pertaining to the specific GOULT pledge is significantly more limited than the issuer's revenue base (e.g., from a more limited geographic base or property type), there may be one downward notch for this analytic element, although there may be more than one downward notch if the revenue base is exceptionally limited. Where this more limited tax base is still robust, there may be no downward notching for this analytic element.

Debt Service Coverage

Not applicable.

Other Factors

We also consider risks in the structural features of the pledge that are not already reflected in the issuer rating or other analytic elements. If the risks are material, cumulative notching may reflect one or more additional downward notches, depending on the severity of the risks.

For example, a serious legal challenge to the validity of the GOULT pledge could lead to downward notching for this analytic element.

General obligation limited tax pledge

A GOLT pledge is a general obligation of a city or county that includes a limited rather than an unlimited tax pledge. The nature of the limit for a GOLT varies. It can be imposed on the tax rate or on the levy amount that is available to pay the related debt service. In other cases, there may be a limit on the issuer's overall property tax levy, e.g., a limit on the rate, on the annual rate of growth or on the total amount of tax revenue collected. Although some of these limitations result in materially weaker credit strength, in many other cases, the tax limit does not materially constrain an issuer's ability to pay debt service and therefore does not result in a material difference in the credit risk of the instrument relative to the issuer rating.

There are various structural features that can reduce or eliminate the difference in credit risk between GOULT and GOLT pledges. For example, an issuer may be able to override the stated limit, or it may issue GOLT debt that is also secured by a broad revenue pledge. In addition, some issuers' GOLT pledges have headroom within the limit that we think will be sufficient to cover projected growth in GOLT debt service or withstand potential decreases in net revenue (due to, for example, decreases in the assessed valuation of real property). If there are no sufficient mitigants, a GOLT instrument is typically rated one notch below the issuer rating.

How we assess it

Security Features

Where a GOLT pledge includes both a lockbox and a valid security interest, such as a lien, and we consider these to be effective, there would typically be one upward notch for this analytic element. While the presence of only one of these elements may provide a modest benefit, one without the other is not sufficient to provide uplift from the issuer rating.

We may not consider these security features to be effective where the responsible governments have not carried out their lockbox obligations, where we think the legal separation is weak or where there are historical or ongoing significant legal challenges.

Active or Passive Pledge

Where an issuer has a meaningful ability to raise taxes within the stated limit (i.e., meaningful headroom) or can override the limit, or where an additional pledge not subject to the cap (e.g., a general promise to pay) is broad enough to mitigate the limit, we consider the pledge to be active. In these cases, there is no downward notching for this analytic element. The absence of meaningful headroom

typically leads to one downward notch for this analytic element. We typically consider headroom of 50% or more of maximum annual debt service (MADS) to be meaningful (see box). Where headroom is at least 35% and up to 50%, we may consider it sufficiently meaningful based on our forward view of the issuer's revenue and economic base.

How we estimate or calculate headroom for raising tax revenue

We estimate or calculate headroom based on the ratio of the incremental revenue permitted by the limit to MADS for the pledge (e.g., GOLT).

The numerator is the current taxable assessed valuation related to the pledge multiplied by the maximum allowable tax rate for the debt ("projected maximum levy," or revenue) minus the "current levy used for debt service." The denominator is the MADS amount in dollars on all of the issuer's parity debt.

(Projected Maximum Levy – Current Levy Used for Debt Service) / MADS

If the levy is not used exclusively for debt service, we would use the maximum allowable levy in the "projected maximum levy" calculation and the portion of this levy used for debt service in the "current levy used for debt service."

In addition, if a limited tax pledge includes both property and non-property tax revenue, we include both types of revenue in the "projected maximum levy" calculation.

In our forward-looking view of this metric, we may incorporate a projection of additional parity debt and resultant MADS, and we may project taxable assessed value, particularly if we expect that the city's or county's tax base will decline.

Characteristics of the Revenue Base

Where the GOLT pledge encompasses all or substantially all of the issuer's tax base, there is no notching for this analytic element. Where revenue pertaining to the specific GOLT pledge is significantly more limited than the issuer's revenue base (e.g., from a more limited geographic base or property type or from a material decline in assessed valuation), there may be one downward notch for this analytic element and there may be more than one downward notch if the revenue base is exceptionally limited. Where this more limited tax base is still robust, however, there may be no downward notching for this analytic element.

Debt Service Coverage

For GOLT pledges that we consider active because of (i) an ability to override a limitation; (ii) a broad additional pledge; or (iii) meaningful headroom, this analytic element does not apply.

Where headroom is limited, we typically assess debt service coverage on a current and forward-looking basis. In cases where the debt service coverage of the pledge is materially lower than the issuer's general ability to meet all of its obligations, we may notch the instrument rating down to reflect this risk to the extent it is not already captured in the issuer rating or other analytic elements.

One downward notch is typical for this analytic element where there is no meaningful headroom and debt service coverage is expected to be near or below 1.1x. More than one downward notch may be applied where there is no meaningful headroom and debt service coverage is expected to be below 1x.

Other Factors

We also consider strengths or risks in the structural features of the pledge that are not already reflected in the issuer rating or other analytic elements. If the strengths are material, cumulative notching may reflect one upward notch. If the risks are material, cumulative notching may reflect one or more additional downward notches, depending on the severity of the risks.

For example, a serious legal challenge to the validity of the GOLT pledge or a sunset provision in the pledge that precedes the maturity of the debt obligation could lead to downward notching for this analytic element.

Non-contingent general promises to pay and contingent obligations

This grouping includes (i) general promises to pay where there is a non-contingent pledge to pay debt service that may specifically include all or some of the issuer's revenue, and (ii) contingent obligations.

Non-contingent general promises to pay

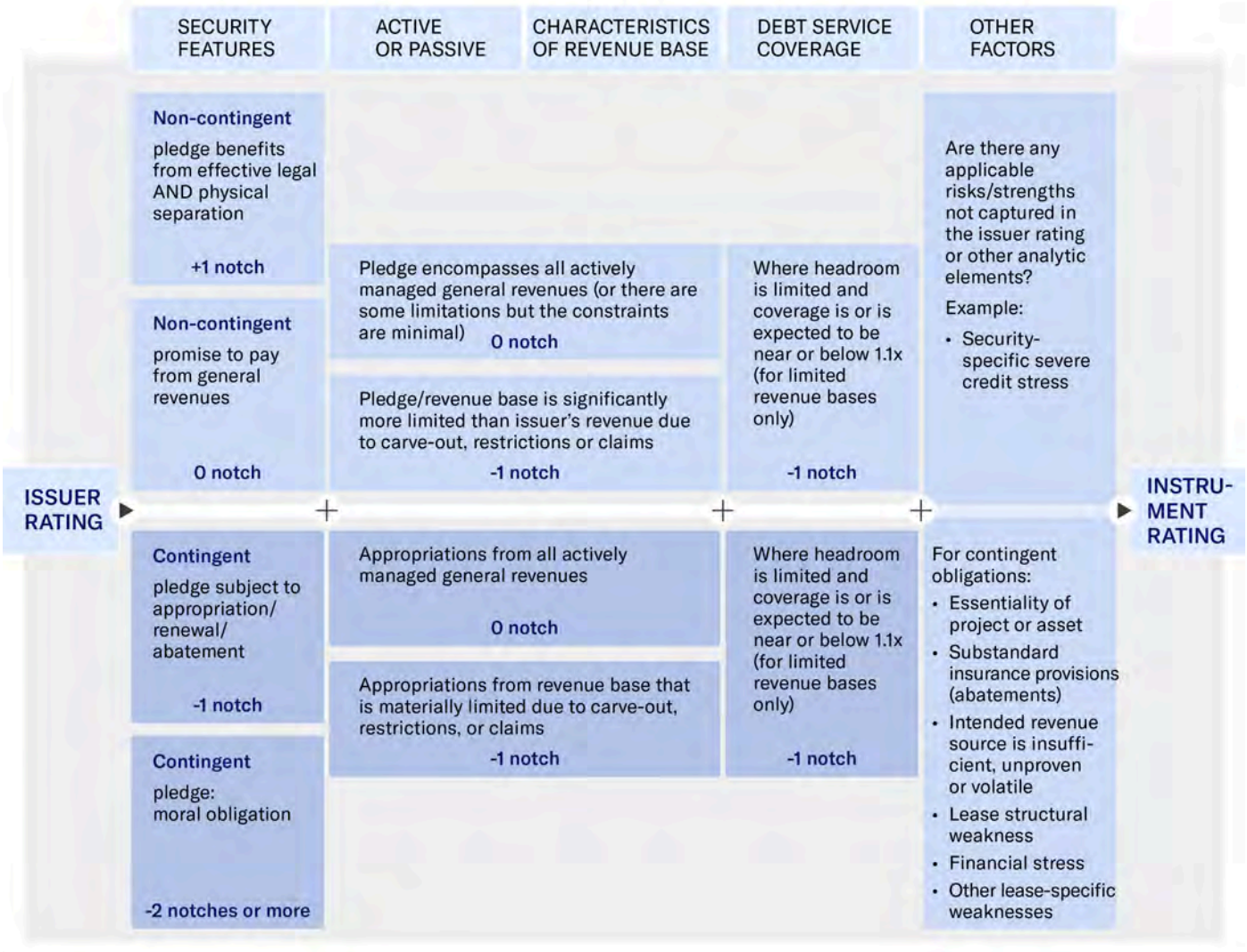
Some obligations represent a non-contingent general promise to pay. In some cases, these instruments are called "general obligations," but the instrument does not include a property-tax pledge. In other cases, pledges specifically exclude some or all tax revenues. Many obligations in this group contain broad language describing the promise (e.g., "full faith and credit" or similar wording) but do not include a specific pledge of a property tax or other revenue. Because these promises to pay are non-contingent, we may consider them to be as strong as the issuer rating. In other cases, the general promise to pay is weaker than the issuer rating because there are material carve-outs of revenue. As there is wide variation in the language used, we look at the substance of the issuer's obligation.

This category includes: (i) non-ad valorem debt, which is typically a non-contingent promise to pay debt service with the explicit exclusion of revenue derived from ad valorem property taxes; (ii) non-tax debt, which is typically a non-contingent promise to pay debt service from general revenue with the explicit exclusion of all revenue derived from taxes.

In cases where language such as "full faith and credit" requires the issuer to levy ad valorem taxes sufficient to pay the obligation under the laws of the state, we consider these to be real property-based pledges.

Exhibit 13

Non-contingent general promises to pay and contingent obligations: Illustrative notching



Source: Moody's Ratings

How we assess it

Security Features

There is typically no notching for this analytic element, because general promises to pay are non-specific as to revenue, by definition. However, we assess the security features of each transaction in order to determine if they provide material benefit to creditors.

Active or Passive Pledge and Characteristics of the Revenue Base

We consider these two analytic elements together.

Where the pledge or general promise to pay encompasses all of the issuer's revenue base, there is no notching for these analytic elements. If the revenue base is subject to some limitations but the constraints are not meaningful, there is also no notching for these analytic elements.

Where the relevant revenue base is meaningfully narrow, there is typically one downward notch for these analytic elements, although there may be more than one downward notch if the revenue base is exceptionally narrow.

We also consider the extent to which the issuer has active control over the ability to raise revenues in the relevant pledge.

Debt Service Coverage

For non-contingent pledges, there is no upward notching for this analytic element. Where the pledge is substantially reduced by carve-outs or other competing claims that render the pledged revenue significantly more limited than the city's or county's revenue, we typically assess debt service coverage on a current and forward-looking basis. One downward notch is typical for this analytic element where there are material revenue carve-outs and debt service coverage is expected to be near or below 1.1x. More than one downward notch is likely to be applied where there are material revenue carve-outs and debt service coverage is expected to be below 1x.

Other Factors

We also consider strengths or risks in the structural features of the pledge that are not already reflected in the issuer rating or other analytic elements. If the strengths are material, they may offset downward notching related to other analytic elements. If the risks are material, cumulative notching may reflect one or more additional downward notches, depending on the severity of the risks. For example, security-specific severe credit stress or a legal structure or security type with a poor track record in default could lead to downward notching for this analytic element. In addition, a serious legal challenge to the validity of a non-contingent general promise to pay could lead to downward notching for this analytic element.

Contingent obligations

In almost all cases, we notch down from the issuer rating for a city's or county's contingent obligations. Examples of contingent obligations include appropriation lease-backed obligations, abatement lease-backed obligations, non-lease annual appropriation obligations and moral obligations.

For cities and counties, a typical contingent obligation is an appropriation lease-backed instrument. The city or county usually does not pledge any specific revenue to the lease and instead annually appropriates funds to pay debt service. The city or county obligates itself to make lease payments pursuant to a capital lease between itself (as lessee) and, usually, a special purpose entity lessor created and controlled by the lessee. This lease payment revenue is used to pay debt service on the lease-backed instrument.

In the case of an appropriation lease, the city or county has a legal right to choose not to appropriate the funds, thereby not renewing the lease. The city or county generally covenants to take proactive steps to make the annual lease payment and lease renewal, although with the explicit recognition that it is legally entitled to choose not to appropriate funds for the lease payment, or renew the lease. Issuers typically appropriate the funds annually as part of the regular budget cycle. The same kind of appropriation structure can exist without a lease or leased asset.

A second common type of contingent obligation is an abatement lease, where the lessee's requirement to make the lease payment is contingent upon the continued availability of the leased asset for use or occupancy. If the use of the asset is compromised because the asset is damaged or destroyed (e.g., a government building is partially destroyed by an earthquake), the lessee would be required to abate, meaning to reduce, the lease payment in proportion to the reduction in use.

Issuers may also issue non-lease annual appropriation obligations. These obligations are typically backed solely by the issuing government's covenant to take certain administrative steps to consider appropriating for debt service in each budget cycle. The appropriations are typically made through the government's annual budget process. Once the appropriation is made, it is absolute and unconditional for the time period to which the appropriation applies (typically one year). After one year, the annual option to not appropriate renews. Annual appropriation obligations do not include recourse to an asset among the remedies in case of a default. Appropriation-backed instruments are often issued as certificates of participation.

A fourth type of contingent obligation is a moral obligation. An example of a moral obligation structure would be where a city or county promises to consider supporting a contingent obligation, under certain circumstances, by appropriating funds for the replenishment of a debt service reserve. A moral obligation pledge is neither a guarantee to pay debt service nor a promise to replenish a debt service reserve nor a legally enforceable obligation to pay. Rather, it is a declaration that the city or county intends to support the debt and will consider making appropriations and providing funding under certain circumstances.

Based on these contingencies, these four types of contingent obligations are not typically defined as debt under state law and would therefore be excluded from statutory and constitutional restrictions on debt issuance that apply to cities or counties. However, we consider such obligations to be the debt of the city or county.

Contingent obligations are not typically defined as debt under state law and would therefore be excluded from statutory and constitutional restrictions on debt issuance that apply to cities or counties. However, we consider such obligations to be the debt of the city or county in our analysis of the likelihood of repayment.

In all cases, contingent debt includes a contractual out, either through failure to appropriate or abatement, and therefore lacks a firm pledge of revenue over the life of the debt. Even in cases where an issuer plans to use certain revenue flows for contingent lease payments or debt service, unless they are pledged for the life of the instrument, this intention does not improve credit quality. However, where the issuer signals an intention to use limited revenue to pay the contingent obligation, this may indicate additional risk for the lease bonds. An example is where the issuer intends to pay from expected project revenue (e.g., an economic development project that involves market risk), as opposed to general revenue.

The number of downward notches for appropriation and abatement obligation bonds is usually limited to one or two, depending on our assessment of the essentiality of the pledged asset or financed project to the city's or county's operations. In most cases there is a fundamental connection between the financed asset and the fundamental operations of the city or county, providing a strong incentive for cities or counties to appropriate funds for debt service payments. For moral obligation pledges, the typical notching is two or more downward notches, depending on the legal structure and assets involved.

Not all leases are contingent obligations. Non-contingent leases are rated based on the long-term pledge, e.g., general promise to pay or GOULT.

The exhibit below shows the typical notching between the city's or county's issuer rating and the rating on non-contingent lease-backed obligations, contingent obligations and moral obligations.

Exhibit 14

Typical downward notching from the issuer rating

For non-contingent lease-backed obligations, contingent obligations and moral obligations

Security Type		Non-Contingent Lease-Backed Obligations	Contingent Lease-Backed and Annual Appropriation Obligations		Moral Obligations	
Essentiality		N/A	More	Less	More*	Less
Notches from Issuer Rating	Zero	X				
	One		X			
	Two			X	X	
	Three or more				X	X

*For moral obligations, we may apply two or three downward notches from the issuer rating for more essential assets, depending on the legal structure.
Source: Moody's Ratings

How we assess it

Security Features

A contingent pledge is notched downward for security features.

A contingent pledge subject to appropriation, renewal or abatement typically leads to one downward notch for this analytic element. An exception is if an instrument also carries a backup general obligation pledge (GOULT, GOLT or full faith and credit pledge) or other non-contingent pledge, in which case we rate the instrument based on the stronger of the two pledges.

Where the contingent pledge is a moral obligation, there are typically two downward notches for this analytic element, and there may be more than two downward notches where the legal structure is unusually weak. In a typical moral obligation structure, a parent government undertakes to consider appropriating funds for the replenishment of a debt service reserve under certain circumstances. An unusually weak moral obligation structure might include numerous conditions that must be met for the government to consider appropriating, or the timing of debt service payments may not align well with the timing during which the city or county could appropriate funds for debt payment or replenishment of a debt service reserve. The greater notching for moral obligations, relative to leases and appropriation obligations, reflects several characteristics of moral obligations, including that they are typically contingent upon legislative approval and are only called upon if the underlying revenue streams are insufficient.

Active or Passive Pledge and Characteristics of the Revenue Base

We consider these two analytic elements together.

Where the issuer's entire revenue base is available for annual appropriation, including cases where the revenue base is subject to some limitations but those constraints are not meaningful, there is typically no downward notching for these analytic elements.

However, there would typically be one downward notch for these analytic elements where the available revenue base is meaningfully narrow, although there may be more than one downward notch if the revenue base is exceptionally narrow.

Debt Service Coverage

Where the available revenue base for debt service is significantly more limited than the issuer's revenue base, we typically assess debt service coverage on a current and forward-looking basis. One downward notch is typical for this analytic element where debt service coverage is assessed and expected to be near or below 1.1x and above 1x. More than one downward notch will likely be applied where debt service coverage is assessed and expected to be below 1x.

Other Factors

We also consider strengths or risks in the structural features of the pledge that are not already reflected in the issuer rating or other analytic elements. If the strengths are material, there may be one upward notch, although this would be unlikely to offset the downward notching for contingency risk. If the risks are material, cumulative notching may reflect one or more additional downward notches, depending on the severity of the risks.

Essentiality

For contingent obligations, the essentiality of the underlying assets or financed project or function to the issuer's core operations is a major consideration. We consider essentiality to be a strong indicator of the issuer's incentive to appropriate funds for these contingent payments.

While essentiality falls on a continuum, we typically classify it in two categories. We generally consider an asset or project that is critical to the issuer's core operations or administration as more essential (e.g., construction of administrative buildings, capital improvements on roads and financing of equipment that directly supports city or county operations). In these cases, the asset or project also cannot be separated from the issuer (is not severable) and has no commercial or enterprise risk. With more essential assets, there is no notching for the essentiality consideration.

Less essential assets or projects are not critical to city or county core operations or administration, are severable, or have commercial or enterprise risk, e.g., an economic development project or a project that depends on vendor performance. In these cases, a future

administration may no longer choose to support the project, appropriate funds for debt service, or repair the asset following an abatement event. In these cases, there are typically one or more downward notches for the essentiality consideration.

Some cities and counties issue non-lease annual appropriation obligations. These obligations do not include recourse to an asset among the remedies in case of a default and are typically backed solely by the issuing government's covenant to take certain administrative steps to consider appropriating for debt service in each budget cycle. Creditor recourse is often very limited in the event of non-payment. We typically look at the programs or functions being funded with the contingent obligation and assess their essentiality.

The exhibit below provides a summary of typical notching for the essentiality consideration. Actual notching is based on our view of the circumstances of the issuer, the terms and conditions of the obligation and the issuer's incentives or disincentives to honor the obligation. If there is a mix of more and less essential assets associated with an individual instrument or master lease structure, we generally characterize the essentiality of the entire asset pool by the single most essential asset.

Exhibit 15

Typical notching for essentiality

More essential	Less essential
Asset, project or function is critical to core operations or administration, not severable, and has no commercial or enterprise risk.	Asset, project or function is not critical to core operations or administration, is severable, or has commercial or enterprise risk.
Examples (Illustrative; categorization could vary based on specific circumstances)	
» Public safety buildings or functions (courthouses, jails, police/fire stations, etc.)	» Facilities for economic development, tourism or recreation (hotels, convention centers, golf courses, sport stadiums, recreational, athletic, or cultural, etc.)
» Public infrastructure including roads, water/sewer/electric facilities	» Projects dependent on commercial/vendor performance*
» Administrative, educational or health facilities or functions	» Facilities supporting less essential services (animal shelters, ice rinks, marinas, community/senior centers, theaters or concert halls, etc.)
» Facilities supporting other core services (affordable/senior housing, nursing homes, libraries, school buildings, etc.)	» Parks and vacant land
» Improvements, equipment or technology not severable from core operations or essential facilities (parking garages, HVAC, etc.)	» Improvements, equipment and technology severable from core operations or supporting less essential facilities or functions (parking garages, etc.)
Typical notching for essentiality	
No notching	One or more downward notches

*Vendors are not the lessors or owners of projects, but their performance may affect the anticipated impact of the lease payments on a city's or county's budget. A city's or county's payment obligation is not explicitly conditioned on vendor performance.
Source: Moody's Ratings

Additional abatement risk considerations

For contingent obligations that are subject to abatement, there is typically one downward notch from the issuer rating due to abatement risk because the leased asset's availability for a city's or county's use or occupancy is a source of credit risk. In the absence of both the ability to substitute an asset and standard insurance provisions, such as title insurance and renters' interruption insurance, there may be one additional downward notch from the issuer rating.

Intended revenue source

In some cases, issuers may have an intended source of revenue to support contingent obligations, even if the pledge is to pay these obligations with all available revenue. The intention to use a specified revenue source does not offset the contingent nature of the obligation, regardless of how stable the revenue source is. Where the intended revenue source is unproven or volatile, the issuer may not expect or be prepared to pay debt service from other sources. In these cases, we may apply one or more downward notches for this analytic element.

Structural weakness

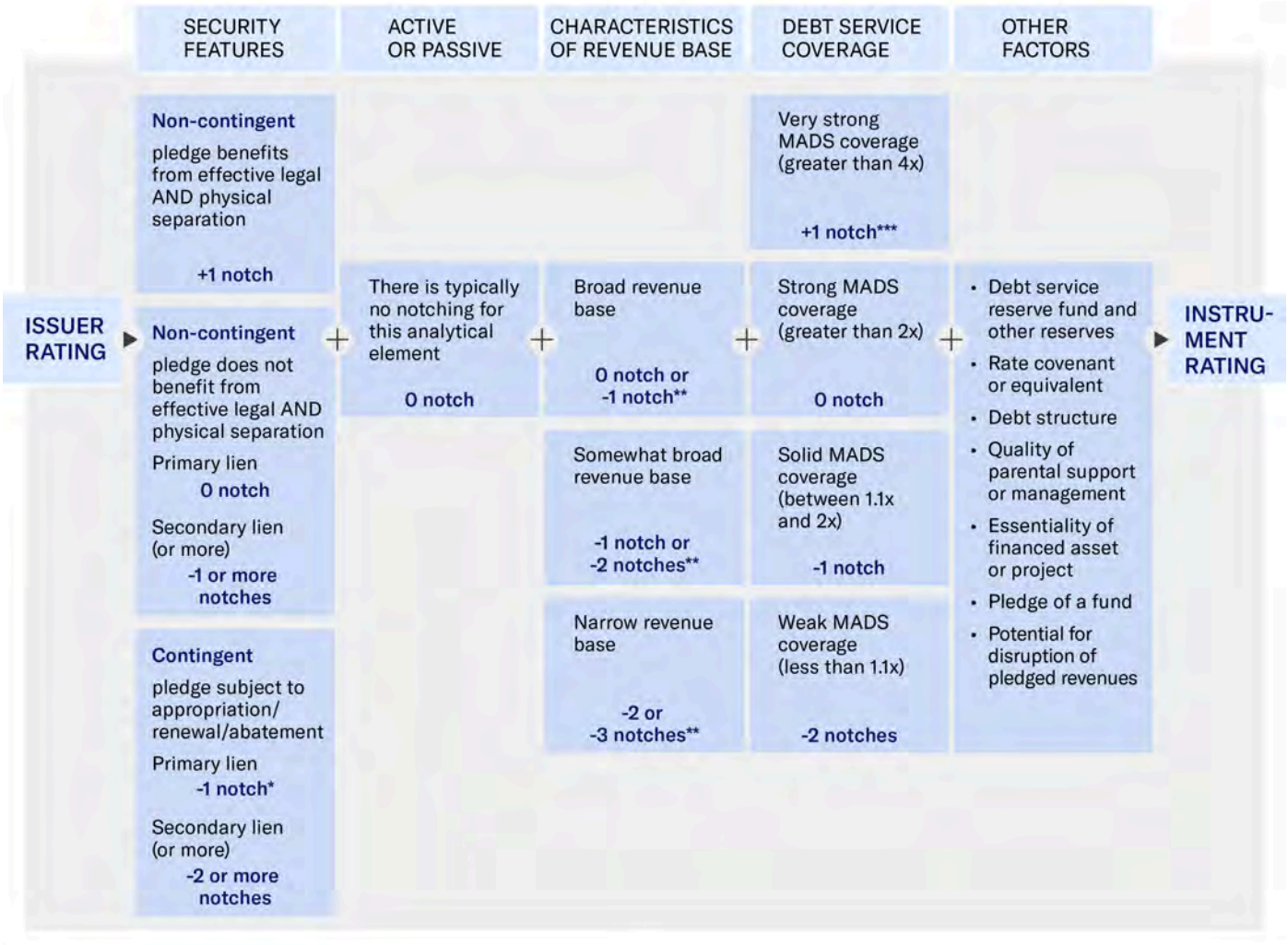
For any contingent pledge, where there is a material structural weakness, such as lack of clarity in the legal documents on the pledge and its mechanics, cumulative notching may reflect one or more additional downward notches, depending on the severity of the risks. Also, unusual complexity in the financing structure, such as inclusion of a non-governmental third party in the transaction, or a serious legal challenge to the validity of a contingent pledge could lead to downward notching for this analytic element.

Pledges of special taxes, fees and assessments

Special tax debt encompasses debt backed by pledges of taxes other than real property taxes, as well as assessments or fees levied on economic activity, transaction-based charges, and similar types of revenue other than real property taxes (collectively, special taxes). These pledges may benefit from physical and legal separation, and may be contingent or non-contingent. Examples of such pledges include taxes, assessments or fees on a variety of consumer purchases, such as retail sales, hotel stays, food and beverage sales or gasoline sales; income taxes; business taxes; real property transfer taxes; assessments on payrolls, insurance policies or other non-property bases; and fixed or formulaic allocations of such special taxes from a higher level of government.

Exhibit 16

Special tax pledges: Illustrative notching



* Where a special tax pledge is both subject to appropriation and subordinate to one or more other liens on the revenues, we assess the combined risk of these features, which may result in only one downward notch.
** Based on revenue trend and volatility.
*** We apply upward notching from the issuer rating only when the instrument benefits from effective physical and legal separation. We typically limit the number of upward notches to one above the issuer rating.
Source: Moody's Ratings

For the majority of special tax debt instruments, we limit the number of upward notches to one above the issuer rating. We only apply upward notching from the issuer rating when the instrument benefits from effective physical and legal separation. We also typically limit downward notches to four below the issuer rating. Rating a special tax instrument that is more than four notches below the city's

or county's rating would typically reflect an idiosyncratic weakness in the pledge that does not reflect a deterioration in the city's or county's governance or other aspect of fundamental credit quality.

How we assess it

Security Features

Where a special tax pledge provides effective physical and legal separation of the pledged revenue for debt service, there is typically one upward notch for this analytic element. Effective separation is reached where the debt structure includes both a lockbox and a valid security interest, such as a lien. While the presence of only one of these elements may provide a modest benefit, one without the other is not sufficient to provide uplift from the issuer rating.

We may consider these security features to be ineffective where the issuing government has the ability to change the flow of funds to the lockbox, where the third party collecting pledged revenues has not carried out its lockbox obligations, where we consider the legal separation to be weak, or where there are historical or ongoing significant legal challenges.

Where the special tax pledge is contingent, i.e., subject to appropriation, renewal or abatement, there is typically one downward notch for this analytic element, effectively limiting the instrument rating to one notch below the issuer rating. In assessing contingency for pledges subject to appropriation or renewal, we may consider whether the tax, assessment or fee has been authorized by voters and may not notch down for this analytical element, for example, where voter authorization for a special tax pledge also includes prioritization of the revenue for debt service over other uses, or where such authorization directs pledged revenue toward a specific purpose and materially reduces the risk of non-appropriation for debt service.

Where a special tax pledge is both contingent and the notching guidance suggests one or more downward notches for other analytic elements, we assess the combined risk of all these elements and may not apply additional notching for contingency. For clarity, contingent instrument ratings are typically at least one notch below the issuer rating.

Where the lien on the pledged special tax revenues is subordinate to one or more other liens on the revenues, there is typically one separate downward notch for this analytic element. Where we consider that the default probability and expected loss severity of the subordinate lien are not meaningfully different from the senior lien, we may assign the same rating to both senior and subordinate instruments, for example, where senior lien debt represents a small share of the combined senior and subordinate debt. Where default probability and expected loss severity are materially higher for the subordinated debt in relation to the senior lien, for example in cases where debt is deeply subordinated (e.g., subordinated debt represents a small share of the combined senior and subordinate debt), the ratings of subordinated lien instruments may be more than one notch below the senior lien instruments. Where a special tax pledge is subject to appropriation and is subordinate to one or more other liens on the revenues, we assess the combined risk of these features.

Active or Passive Pledge

Where a city or county has the legal and practical ability to raise the rate or amount of the pledged special tax revenue, we consider the pledge to be active. Where a city or county has limited-to-no authority to raise the rate or amount of the pledged special tax revenue, or where it maintains revenue-raising authority but confronts significant practical impediments to raising the rate or amount (e.g., significant public resistance to rate increases), we consider the pledge to be passive.

There is typically no downward notching for this analytical element, however, because adjusting the rate or amount of the revenue pledged to the instrument is not generally the principal mechanism by which most cities and counties actively manage special tax pledges. Where a special tax revenue source is subject to downward pressure due, for example, to a decline in the economic activity generating that revenue, a city or county may be reluctant to raise the rate or amount of the special tax if that increase could further depress economic activity. Therefore, governments typically manage these pledges through a variety of other mechanisms unrelated to the tax rate or amount, including debt refinancings, supplementing the special tax revenue with unpledged revenue, and through the use of dedicated and non-dedicated reserves.

Characteristics of the Revenue Base

We assess characteristics of the revenue base for special tax debt instruments using the following two dimensions: (i) the breadth and diversity of the economic base generating the pledged revenue; and (ii) the trend of growth and volatility of the pledged revenues, both

historical and forward-looking. This assessment considers the relative strength of the tax being pledged based on what is being taxed, as well as the historical tax revenue volatility through different economic cycles, and expectations for future performance.

Our assessment of the breadth and diversity of the economic base generating the revenues is primarily based on the nature of the pledged revenue. Where a special tax instrument includes a pledge of multiple types of taxes, assessments or fees, our classification is typically based on the dominant type, although our final assessment may also reflect any strength from the diversity of multiple types of revenues.

The exhibit below illustrates how we typically classify the most common types of special tax revenue sources (Broad, Somewhat Broad or Narrow). Types of special taxes not included in this list are classified in the same category as the tax types most similar to them.

Exhibit 17

Classification of revenue types

Broad	Somewhat Broad	Narrow
» Sales and use tax	» Utility franchise tax or fees	» Hotel tax or fee
» Income or payroll tax	» Utility user tax, fees and surcharges	» Cigarette tax
» Corporate gross receipts tax	» Gasoline tax	» Gaming tax (other than lottery)
		» Lottery tax
» Assessments on payrolls, insurance policies or other non-property bases	» Restaurant food or beverage tax	» Extraction and production of natural resource tax
» Allocations of broad taxes from higher levels of government	» Motor vehicle registration and similar surcharges or fees	» Real estate transaction tax
	» Liquor tax	» Parking tax
		» Motor vehicle rental tax
	» Allocations of somewhat broad taxes from higher levels of government	» Court fines and fees
		» Allocations of narrow taxes from higher levels of government
Typical notching for revenue type		
No notching	One downward notch	Two downward notches

Source: Moody's Ratings

In our forward-looking assessment of revenue growth trend and volatility, we typically consider relative special tax revenue performance trends during past economic cycles to assess elasticity of demand and to project future performance. We typically consider the revenue trend to be declining where there have been multiple consecutive years of historical decline in revenue over the past 10 years or where we expect steady future decline due to change in the underlying economic activity. We typically consider revenue to be volatile where an annual change in pledged revenue during the past 10 years substantially deviates from the average annual rate of change, or where we project substantial deviation in the future. In periods of high volatility and in sensitivity analysis projecting high volatility, we assess the estimated positive or negative impact on debt service coverage. Where a special tax has not been levied for 10 years, we evaluate the history of similar revenues to estimate the trend and volatility. In our assessment, we may also consider an issuer's regular set-aside of revenue to smooth out volatility.

Where we assess the breadth of the economic base generating the revenues to be Broad and the revenue trend to be consistently neutral or growing with limited volatility relative to similar revenue types, there is typically no downward notching for this analytical element. Where we assess the breadth of the economic base generating the revenues to be Broad and the revenue trend to be steadily declining or volatile relative to similar revenue types, there is typically one downward notch for this analytical element. For example, payroll taxes in a certain city may be significantly more volatile than payroll taxes across the sector.

Where we assess the breadth of the economic base generating the revenues to be Somewhat Broad and the revenue trend to be consistently neutral or growing with limited volatility relative to similar revenue types, there is typically one downward notch for this analytical element. Where we assess the breadth of the economic base generating the revenues to be Somewhat Broad and the revenue trend to be steadily declining or volatile relative to similar revenue types, there are typically two downward notches for this analytical element.

Where we assess the breadth of the economic base generating the revenues to be Narrow and the revenue trend to be consistently neutral or growing with limited volatility relative to similar revenue types, there are typically two downward notches for this analytical element. Where we assess the breadth of the economic base generating the revenues to be Narrow and the revenue trend to be declining or volatile relative to similar revenue types, there are typically three downward notches for this analytical element. There are also circumstances where exposure to an economically sensitive revenue source is reflected in an issuer rating that is lower than it would be in the absence of such exposure. In these cases, we may apply fewer downward notches for this analytical element, because the risk is incorporated in the issuer rating.

Exhibit 18
Breadth of the economic base

Economic base	Revenue trend	Typical notching outcome
Broad	Consistently neutral or growing with limited volatility relative to other revenue types in this class.	0
	Steadily declining or volatile relative to other revenue types in this class.	-1
Somewhat Broad	Consistently neutral or growing with limited volatility relative to other revenue types in this class.	-1
	Steadily declining or volatile relative to other revenue types in this class.	-2
Narrow	Consistently neutral or growing with limited volatility relative to other revenue types in this class.	-2
	Declining or volatile relative to other revenue types in this class.	-3

Source: Moody's Ratings

For special taxes that are a fixed dollar allocation or based on a formula that does not reflect the underlying economic trend, we typically consider the trend and volatility of the broader revenue base as a proxy for the specific instrument.

Our assessment of the special tax's economic base is considered relative to the economic base of the parent government (e.g., the city, county or state as a whole). For example, if it is somewhat more limited than the parent government's total economic base but not substantially more so, we may assess the breadth of the economic base as Somewhat Broad or Narrow where the revenue would otherwise be assessed as Broad. Where a special tax is levied on an economic base that is significantly more limited than the parent government's total economic base, the instrument would be out of scope for this methodology (see the "Scope" section).

Debt Service Coverage

We typically calculate debt service coverage by dividing the most recent fiscal year's collected and legally available pledged special tax revenues by the maximum annual debt service (MADS). We define maximum annual debt service as the largest single-year future principal and interest debt service payment on all outstanding parity bonds. We often also calculate coverage based on our projections, which typically include expected near-term changes in revenue or debt (and thus MADS). For subordinate lien bonds, we calculate debt service coverage by dividing the relevant year's pledged and collected special tax revenues by the combined senior and subordinate maximum annual debt service.

Where the pledge comprises a fixed allocation of annual revenue collected by another government, we may calculate coverage based on the total amount of the special tax revenue that is collected by the other government divided by the total allocation to the receiving government or governments, or we may make a qualitative assessment of the robustness of coverage. Assessing coverage this way provides a clearer view of the sufficiency of the revenue base from which the fixed allocation is drawn and any risks to the allocation based on the other government's revenue collections. To illustrate a coverage calculation: a US state statutorily promises to provide 20 local governments with a fixed amount of $100,000 annually (for a total of $2 million) from a special tax whose total collections equal $4 million. One of the local governments, a city, then pledges its annual allocation to a debt instrument and structures it so that debt service matches the allocation, resulting in 1x coverage based on the allocation. In this case, we would calculate coverage based on the total revenues collected by the state divided by the total allocations the state has agreed to make (i.e., $4 million divided by $2 million), resulting in 2x coverage. Where we do not have sufficient information to calculate exact coverage in this way, we may use available information to make a qualitative assessment of total state revenue collections relative to total local government allocations.

Our thresholds for downward notching for special tax instrument debt service coverage incorporate our assessment that special tax revenue is typically less predictable than tax revenue that is not dependent on economic activity. Where debt service coverage is

greater than 2x, there is typically no downward notching for this analytical element. Where debt service coverage is 1.1x to 2x, there is typically one downward notch for this analytical element. Where debt service coverage is less than 1.1x and above 1x, there are typically two downward notches for this analytical element. There may be additional downward notches where we project coverage is likely to remain at low levels or to fall below sum sufficiency in the future. If coverage is below 2x for a subordinate lien obligation and we do not expect further material narrowing, we may not notch down for coverage where we have already applied one or more downward notches for subordination.

Where coverage is very strong, for example more than 4x, and we assess that high coverage will remain stable and that it effectively offsets a revenue weakness, there may be additional uplift, typically by one notch, up to the issuer rating. However, where contingency risk is present, we typically limit uplift to one notch below the issuer rating to maintain the credit distinction between instruments with and without contingency risk.

Additionally, we assess the strength of the restrictions that the transaction documents place on the issuance of additional debt supported by the revenue pledge, if any. For some special tax instruments, transaction documents do not allow for the issuance of additional parity debt, which is known as a closed lien. Where the transaction has a closed lien, there may be one upward notch for this analytical element where coverage is between 2x and 4x, reflecting the inability of the issuer to reduce coverage with additional leverage.

Where the special tax debt instruments are open-lien, i.e., where the transaction documents allow for the issuance of additional parity debt, we assess the strength of the additional bonds test (ABT). The typical ABT requires historical pledged revenues to cover MADS for the current and projected additional debt by a specific minimum coverage ratio before the additional debt may be issued, although the measurement of the ABT may vary by debt transaction. The limits that the ABT places on additional leverage informs our forward-looking view of coverage. For example, where current coverage is greater than 2x but the ABT allows for additional leverage, we may notch downward by one notch where additional leverage is expected and likely to reduce coverage below 2x. Comparing two debt instruments with the same type of revenue pledge and similarly high coverage, the instrument with a 3x ABT, for example, is more likely to retain high credit quality over the long term and be rated closer to its respective issuer rating than the one with a 1.5x ABT, all else being equal.

Other Factors

We also consider strengths or risks of the instrument that are not already reflected in the issuer rating or other analytic elements. If the strengths are material, they may offset downward notching related to other analytic elements; however, we do not apply any upward notching that would result in the assignment of a rating above the issuer rating, absent physical and legal separation, or result in a rating less than one notch below the issuer rating if contingency risk is unmitigated. If the cumulative risks from other factors are material, we may apply one or more additional downward notches. For example, where there is potential for disruption of the pledged revenues, we may apply additional downward notches, or where we have observed proactive support from the parent to improve bondholder security, we may apply an additional upward notch.

Debt service reserve or other funds

The transaction documents for a special tax debt instrument may include the requirement that the trustee hold a specified amount in a debt service reserve fund (DSRF), from which the trustee pays debt service if special tax revenues are insufficient. The DSRF covenant ordinarily requires the issuer to replenish any draws from the DSRF using pledged revenues, if available after the payment of debt service. DSRF requirements may be initially funded with cash or with surety policies from an insurer. We generally consider cash-funded reserve funds as stronger than those funded with a surety, although we typically treat surety-funded DSRF requirements the same as cash-funded DSRF requirements where the surety provider is rated investment-grade. We also typically consider cash-funded "springing reserves" only in circumstances where they are fully funded. Once funded, we assess these reserves using the same criteria as a standard DSRF. Springing reserves are funded only under specific conditions. The transaction documents may also include requirements that the trustee hold amounts in other funds that are also available to pay debt service, such as a rate stabilization fund. We may also consider the strength of other funds that are pledged to the debt instrument. In cases where funds are available but not pledged to the debt instrument, we may consider this as a form of parental support, unless these funds are already considered in the parent's issuer rating.

Where we assess downward notching for revenue volatility or debt service coverage and there is a strong debt service reserve fund requirement funded with cash or a surety provided by an investment-grade insurer, or there are other funds pledged to pay debt service, we may offset one of the downward notches. We consider a DSRF to be strong where it is at or close to the common "three-pronged test," i.e., the lesser of 10% of principal, MADS, or 1.25x average annual debt service, because this threshold would typically provide at least one year of debt service and often several additional years.

Rate covenant or equivalent

Some special tax debt instruments include a requirement to set rates or a levy that guarantees a minimum debt service coverage level. These requirements can be presented in the transaction's legal documentation in the form of a rate covenant, or in the authorizing documentation for the special tax. For example, where pledged insurance assessments are authorized specifically to repay the debt, there is typically an automatic annual adjustment to reset the rate so that collections match the annual debt service payments.

Rate requirements typically use annual debt service to calculate coverage rather than maximum debt service. Therefore, we may apply a downward notch for low maximum annual debt service coverage of the debt instrument. However, an effective rate covenant or automatic adjustment mechanism allows the rate to be set without regulatory or political approvals, which increases the certainty that future revenue growth will match increases in the debt service schedule and balance weak trends or volatility in the underlying revenue base. Where we consider the adjustment mechanism to be effective, we may offset downward notching assessed for Characteristics of the Revenue Base, or narrow MADS coverage, by one to two notches.

Debt structure

Most special tax debt instruments are structured as fixed-rate debt that amortizes over a multiyear period. Some special tax debt instruments may be structured as variable-rate, include bullet maturities or capital appreciation features, or include derivatives such as interest rate swaps, and may introduce additional risk as a result. These types of structures may be subject to remarketing risk because they require market access for refinancing, or they may be exposed to liquidity demands. Liquidity and market access risks can also arise with variable-rate demand obligations and bonds that contain provisions that allow debtholders to put bonds back to the issuer. The potential adverse credit effects of variable-rate demand obligations are typically assessed in the overall credit profile and circumstances of each issuer and are reflected in the issuer rating. However, where the city's or county's special tax debt includes riskier structures than the city's or county's overall debt profile, there may be one to two additional downward notches.

Quality of parental support or management

A special tax debt instrument may experience financial stress (generally due to insufficient pledged revenues) that increases the probability of default. A city or county often provides support for a special tax debt instrument experiencing financial stress, either through direct financial support or by actively managing the competing demands on the special tax. Where a city or county has a track record of providing support for a special tax debt instrument experiencing stress or a clear willingness and ability to support stressed instruments, we may offset downward notching assessed for characteristics of the revenue base or debt service coverage by one or more notches. Where such parental support is unlikely for a special tax debt instrument experiencing stress, there may be one or more additional downward notches. Indicators of parental support and active management include a track record of appropriating additional resources above the pledged revenue, refinancings to improve debt service coverage, or resolutions of support.

Essentiality of financed asset or project

For contingent obligations, the essentiality of the underlying assets or financed project or function to the issuer's core operations is a major consideration. We consider essentiality to be a strong indicator of the issuer's incentive to appropriate funds for these contingent payments. To the extent that a special tax pledge is contingent, we may apply an additional one to two downward notches for less essential assets or projects using the same framework discussed in the contingent obligations category (see "Non-contingent general promises to pay and contingent obligations" section).

Pledge of a fund

Although most issuers of special tax debt instruments pledge a stream of tax revenues, a city or county may pledge a particular fund that receives the revenues generated by one or more special taxes. For example, a county may pledge any collections held in

a transportation fund, typically motor vehicle fuel taxes or vehicle registration fees. We typically view the pledge of a fund as the equivalent to a pledge of the revenue streams the fund receives for our analysis of the security features, active or passive nature of the pledge, characteristics of the revenue base, and coverage. However, a pledge of a fund often allows an issuer additional discretion over the revenues that flow into the pledged fund. There may be additional upward or downward notches, typically by one to two notches, where a city's or county's discretion over the flow of funds could increase or decrease the availability of revenues for debt service. We may consider a pledge of a fund that includes a substantial share of a city's or county's operating revenues to be closer to a general promise to pay and the instrument rating would be assigned based on that pledge type.

Potential for disruption of pledged revenues

A special tax debt instrument may encounter extreme uncertainty in the continued steady flow of pledged revenues in the future. For example, the debt may be structured so that the revenue pledged to the debt instrument sunsets prior to final maturity and requires legislative action to renew. The pledged special tax revenue may have the potential to be materially diminished by non-economic events, for example due to a rate reduction, tax holidays, changes in the regulatory environment for the relevant products or services, or a sudden secular decline in consumer demand for those products or services underlying the tax. Where there is a strong risk of disruption of revenues that is not already captured in our assessment of the pledged revenue's breadth, trends and volatility, there may be one or more additional downward notches.

For example, federal grant anticipation revenue vehicles (GARVEEs) that are solely backed by anticipated federal highway or transit grants are notched down for this consideration, typically by two notches, to reflect federal reauthorization risk and federal budget shutdown risk. Federal transportation funding is subject to periodic reauthorization, which has varied in amount and duration over time, and the government is under no legal obligation to continue the federal aid highway program. We do not consider high debt service coverage and a high ABT, which are common in GARVEE instruments, to be effective offsets to reauthorization and federal budget risk, therefore we do not typically notch up for those considerations.

Our assessments of GARVEES incorporate a view that GARVEE reauthorization risk is partially mitigated by the federal government's established commitment to finance essential transportation infrastructure and a long history of uninterrupted federal funding, despite steady declines in federal gasoline tax collections.

GARVEEs are repaid with an allocation of federal revenue that becomes revenue of the issuer once eligible projects have been completed. While city or county issuance of GARVEE bonds is rare, when this occurs, the city or county pledges its allocation and is therefore the relevant issuer rating from which to notch. Typically, the city or county owns the pledged revenue, retains control over borrowing amounts, timing, and transaction structure, and we have historically seen issuing governments step in with revenue or cash flow management when federal funds were disrupted. For GARVEEs that have a secondary pledge of revenue from the issuing city or county, in addition to the primary pledge of federal highway or transit grants, we typically assess the secondary special tax pledge as discussed in this appendix and do not factor in reauthorization risk. Revenue that is available but has not been pledged is not considered an effective secondary pledge. For more information about our approach to assessing GARVEEs, please see our methodology for rating US states and territories, which are more frequent issuers of this type of pledge.[14]

Moody's related publications

Credit ratings are primarily determined through the application of sector credit rating methodologies. Certain broad methodological considerations (described in one or more cross-sector methodologies) may also be relevant to the determination of credit ratings of issuers and instruments. A list of sector and cross-sector methodologies can be found here.

For data summarizing the historical robustness and predictive power of credit ratings, please click here.

For further information, please refer to *Rating Symbols and Definitions*, which is available here.

Endnotes

1 See our methodology that describes our approach for rating K-12 school districts. A link to a list of our sector and cross-sector methodologies can be found in the "Moody's related publications" section.

2 See the "Other considerations" section for analytic considerations related to extraordinary or ongoing support that may affect the rating.

3 A link to a list of our sector and cross-sector methodologies can be found in the "Moody's related publications" section.

4 For more information about our adjustments, see our cross-sector methodology that describes our adjustments to pension and OPEB data reported by GASB issuers. A link to a list of our sector and cross-sector methodologies can be found in the "Moody's related publications" section.

5 Overweighting is described in the "Determining the overall scorecard-indicated outcome" section.

6 For more information about the pension asset shock indicator, see our cross-sector methodology that describes our adjustments to pension and OPEB data reported by GASB issuers. A link to a list of our sector and cross-sector methodologies can be found in the "Moody's related publications" section.

7 For more information about the tread water indicator, see our cross-sector methodology that describes our adjustments to pension and OPEB data reported by GASB issuers. A link to a list of our sector and cross-sector methodologies can be found in the "Moody's related publications" section.

8 A link to a list of our sector and cross-sector methodologies can be found in the "Moody's related publications" section.

9 A link to a list of our sector and cross-sector methodologies can be found in the "Moody's related publications" section.

10 A link to a list of our sector and cross-sector methodologies can be found in the "Moody's related publications" section.

11 A link to *Rating Symbols and Definitions* can be found in the "Moody's related publications" section.

12 A link to a list of our sector and cross-sector methodologies can be found in the "Moody's related publications" section.

13 Please see *Rating Symbols and Definitions* for more information on what we consider to be a default.

14 A link to a list of our sector and cross-sector methodologies can be found in the "Moody's related publications" section.

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REPORT NUMBER 1401434

Author

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Asia Pacific	852-3551-3077
Japan	81-3-5408-4100
EMEA	44-20-7772-5454

Expenditures & Revenues Study Committee

March 17, 2026

Agenda

- Background
- Considerations: Capacity to Pay
- Full Committee Recommendations
- Schools Subcommittee Report
- Town Subcommittee Report
- Future Subcommittee Report
- Questions & Discussion

Background-Why Are We Here?

- Structural deficit
  - Property taxes represent 73% of Brookline's revenues
  - Tax growth statutorily restricted by Proposition 2 ½
  - Expense growth is unrestricted
  - Unfunded mandates from TM; collectively bargained contract terms
- Fiscal challenges across Massachusetts
  - Inflation
  - Health insurance premiums
  - Pension/OPEB liabilities
- Efforts made to date by Town and Schools
  - Town reductions of 5 FTEs even with an override
  - School reductions of 22.1 FTEs even with an override
  - Three-year structural deficit of $7.95M for the Town and $17.94M for Schools despite these efforts (a total of $25.89M)

Forecasted Structural Deficit FY27-FY29

	FY27	FY28	FY29
Forecasted Revenue	$440,247,086	$451,740,309	$465,538,831
Forecasted Revenue For Allocation	$247,021,997	$247,746,045	$247,713,806
Town	$101,762,426	$102,576,943	$103,086,505
Schools	$145,259,571	$145,169,102	$144,627,301
Forecasted Expenses			
Town	$102,969,169	$107,635,079	$111,037,555
Schools	$149,801,901	$155,314,303	$162,571,740
Town Deficit	$ (1,206,743)	$ (5,058,136)	$ (7,951,050)
School Deficit	$ (4,542,330)	$ (10,145,201)	$ (17,944,439)
Total Deficit	**$ (5,749,073)**	**$ (15,203,337)**	**$ (25,895,489)**

Considerations: Capacity to Pay (1 of 2)

Housing Costs in Brookline - as of 2024 without subsequent impacts of debt exclusions, overrides – Housing costs greater than 30% of household income accepted measure of housing cost burden

- Taxes affect both owners and renters – tax pass-through in standard rental agreement
- **Owners:** Well over three thousand (3,352, or 26%) pay > 30% of household income for housing; almost three thousand (2,778 or 22%) pay > 35%
- **Senior owners:** Well over a thousand (1,250 or 27%) pay > 30%; over one thousand (1,062 or 23%) pay > 35%
- **Renters:** Well over six thousand (6,653 or 47%) pay > 30%; well over five thousand (5,341 or 38%) pay > 35%
- **Senior renters:** Almost one thousand – or one-half (966 or 49.9%) pay > 30%; over 700 (736 or 38%) pay > 35%.

Considerations: Capacity to Pay (2 of 2)

Taxes in Brookline (FY15 to FY26) - Rapidly escalating on all types of properties – taxes are a cost element highly visible to voters (annual tax bills, rent escalators).

- Area inflation up 36.7%
- Taxes on median condominium up 53%; 2-family 85%; 3-family 78%; 4+ 78%; single-family 97%
- Taxes on median condominium up $1,726; 2-family $8,776; 3-family $9,006; 4+ $18,903; single-family $10,409

- **Voters Will Decide**
  - Minimize likelihood of a total override failure – with impacts on Town and School services; Town credit rating
  - Minimize personal hardships – with forced dislocations, including long-term seniors; forced liens, tax levies, second mortgages
  - Offer tiers: full override “ask” but also lower amount – give voters the choice

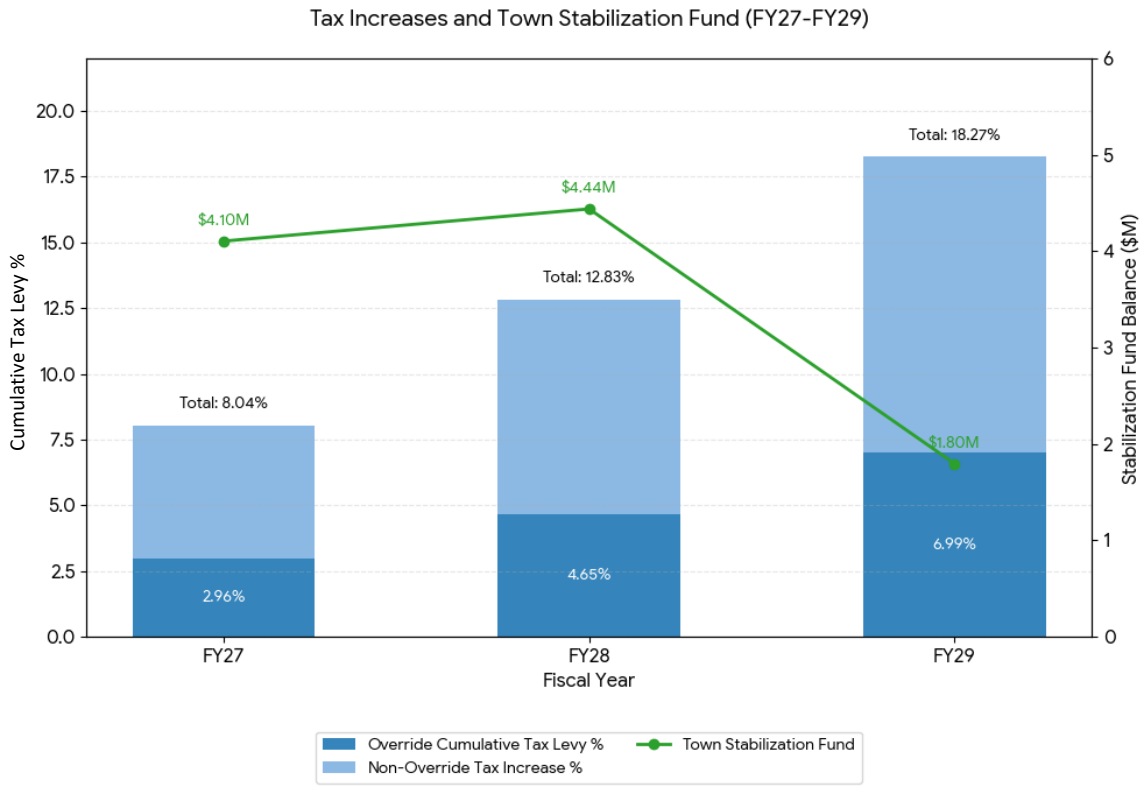
Full Committee Recommendations: Option 1

- Put only the entire **$23.25M** combined override asks ($5.31M for Town Services and $17.94M for Schools) on the ballot
- The incremental override tax levy is **6.99**%, with a total increase of **18.27%** over three years
- Considerations for the Select Board
  - The money would be raised on a schedule that matches that proposed by the Town and Schools respectively
    - The Town has requested that their three-year need be raised up-front in FY27 and held in a reserve fund until it is needed
    - The Schools have requested that their funds be raised on a schedule consistent with the forecasted need in each of the next three fiscal years (consistent with prior overrides)
  - The overall ramp would be more gradual, and therefor less jarring for taxpayers

Option 1 Financials

Table 1: Option 1 Financials

	FY27	FY28	FY29	Total
Forecasted Revenue	$ 440,247,086	$ 451,740,309	$ 465,538,831	
Forecasted Revenue For Allocation	$ 247,021,997	$ 247,746,045	$ 247,713,806	
Town	$ 101,762,426	$ 102,576,943	$ 103,086,505	
Schools	$ 145,259,571	$ 145,169,102	$ 144,627,301	
Forecasted Expenses				
Town	$ 102,969,169	$ 107,635,079	$ 111,037,555	
Schools	$ 149,801,901	$ 155,314,303	$ 162,571,740	
Town Deficit	$ (1,206,743)	$ (5,058,136)	$ (7,951,050)	
School Deficit	$ (4,542,330)	$ (10,145,201)	$ (17,944,439)	
Total Deficit	**$ (5,749,073)**	**$ (15,203,337)**	**$ (25,895,489)**	
Override Levy	**$ 9,852,330**	**$ 15,455,201**	**$ 23,254,439**	
Override Levy Allocated to Town	$ 5,310,000	$ 5,310,000	$ 5,310,000	
Funds Used for Town Services	$ 1,206,743	$ 5,058,136	$ 7,951,050	
Town Stabilization Fund	$ 4,103,257	$ 4,437,186	$ 1,796,136	
Override Levy Allocated to Schools	$ 4,542,330	$ 10,145,201	$ 17,944,439	
Funds Used for Schools Services	$ 4,542,330	$ 10,145,201	$ 17,944,439	
Schools Stabilization Fund	$ (0)	$ (0)	$ (0)	
Regular Levy % Increase	5.08%	3.10%	3.10%	11.28%
Override Levy % Increase	2.96%	1.68%	2.35%	6.99%
Total Cumulative Tax % Increase	**8.04%**	**12.83%**	**18.27%**	



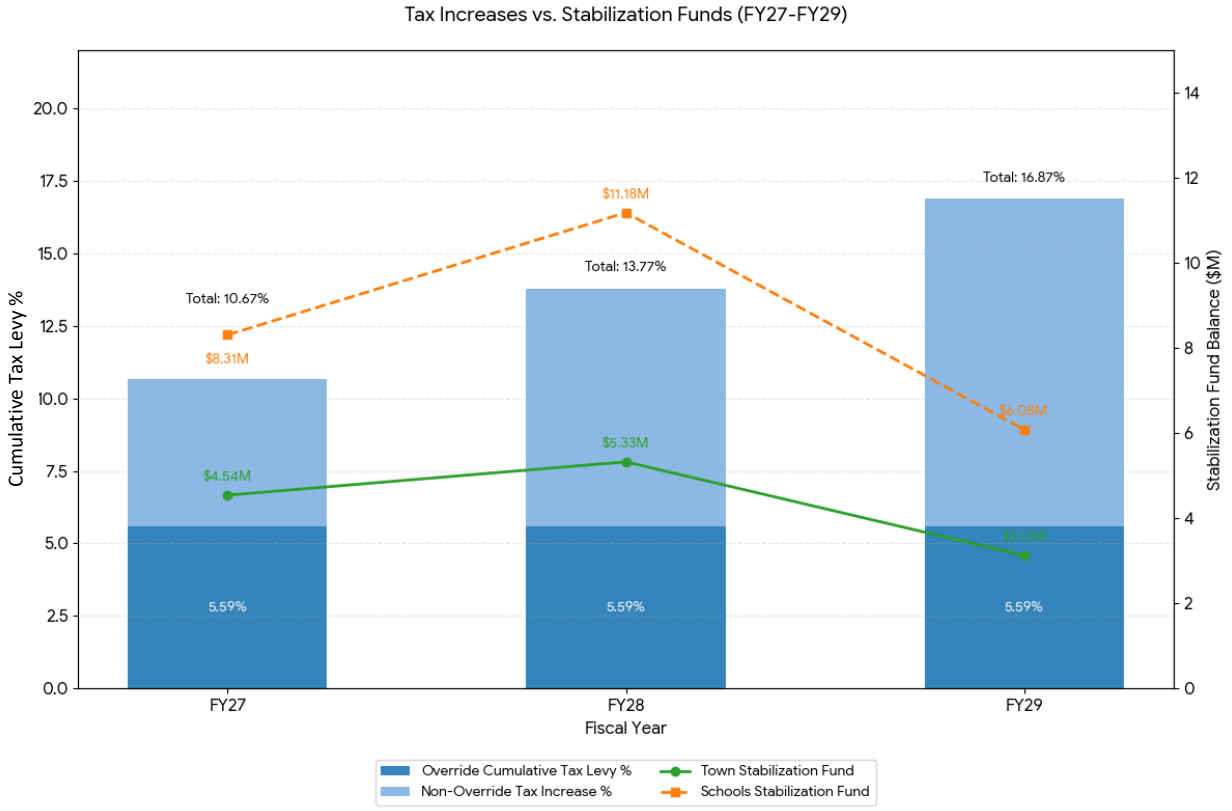
Full Committee Recommendations: Option 2

- Front-load the tax levy increase in FY27, while covering the full FY27-29 deficit for the Town and Schools
- The override amount would be reduced by $4.65M to **$18.6M** with an incremental override tax levy of **5.59%**, and **16.89%** total over three years
  - This approach would result in a larger initial raise but a lower total override number
  - The excess initial revenue raised would be placed in an interest-bearing reserve/stabilization fund for use in future years by both the Town and the Schools
- Considerations for the Select Board
  - The overall number is lower but dollars raised is higher due to immediate increase in levy
    - Funds the full deficit from Town and Schools
    - Residual $9M in stabilization funds could mitigate funding needs in FY30 (dependent on TM, SC, SB and others honoring reserve fund restrictions)
  - Immediate increase in the tax levy may be more jarring for taxpayers than the gradual ramp in Option 1
  - The stabilization fund structure is new for Brookline and will require education

Option 2 Financials

Table 2: Option 2 Financials

	FY27	FY28	FY29	Total
Forecasted Revenue	$ 440,247,086	$ 451,740,309	$ 465,538,831	
Forecasted Revenue For Allocation	$ 247,021,997	$ 247,746,045	$ 247,713,806	
Town	$ 101,762,426	$ 102,576,943	$ 103,086,505	
Schools	$ 145,259,571	$ 145,169,102	$ 144,627,301	
Forecasted Expenses				
Town	$ 102,969,169	$ 107,635,079	$ 111,037,555	
Schools	$ 149,801,901	$ 155,314,303	$ 162,571,740	
Town Deficit	$ (1,206,743)	$ (5,058,136)	$ (7,951,050)	
School Deficit	$ (4,542,330)	$ (10,145,201)	$ (17,944,439)	
Total Deficit	**$ (5,749,073)**	**$ (15,203,337)**	**$ (25,895,489)**	
Override Levy	**$ 18,600,000**			
Override Levy Allocated to Town	$ 5,750,000	$ 5,750,000	$ 5,750,000	
Funds Used for Town Services	$ 1,206,743	$ 5,058,136	$ 7,951,050	
Town Stabilization Fund	$ 4,543,257	$ 5,325,986	$ 3,124,936	
Override Levy Allocated to Schools	$ 12,850,000	$ 12,850,000	$ 12,850,000	
Funds Used for Schools Services	$ 4,542,330	$ 10,145,201	$ 17,944,439	
Schools Stabilization Fund	$ 8,307,670	$ 11,178,622	$ 6,084,184	
Regular Levy % Increase	5.08%	3.10%	3.10%	11.28%
Override Levy % Increase	5.59%	0.00%	0.00%	5.59%
Total Cumulative Tax % Increase	**10.67%**	**13.77%**	**16.87%**	



Full Committee Recommendations: Option 3

- Give voters options by adding tiers to the ballot question, applied to Option 1 or Option 2
  - The Select Board would provide taxpayers with the option of choosing to fund all, none, or some intermediate amount (or amounts) of the override requests.
  - The Town and the PSB would provide the Select Board with a list prioritizing the reductions they have identified in any intermediate tiers between the “all” and “none” scenarios, with corresponding dollar amounts
- **The Committee strongly recommends Option 3**
  - Brookline voters should have a choice in how and how much they agree to fund critical Town and School services, while also considering the implications to residents and the Town’s financial status of a failed override
  - The Committee recommends that the Select Board adopt the Schools Subcommittee recommendation to create an MOU to work towards an improved cost structure
- Considerations for the Select Board
  - This option prevents an “all or nothing” choice on the May ballot
  - Any intermediate tiers should be framed in a neutral manner
  - The Committee did not have enough information to recommend specific interim tiers to the Select Board

Schools Subcommittee

Override Ask Summary (from PSB*)

PSB has presented a (mostly) level service budget for FY27, with 22.1 FTE in reductions and revenue generating initiatives (non-resident special education tuition, BEEP tuition, materials fee tuition, facility rental study in FY27)

Efficiencies	Restorations	Improvements	Other Adjustments
- OAF restructuring - Early retirement incentive - Right-sizing due to enrollment - Right sizing of admin, materials, computer leases, coaches - Special Education caseload adjustments - In-town transportation	- Director of Data and Information Systems - OTL copier leases (unintentionally omitted in FY26) - Professional/ Curriculum development (subsequently reduced to FY25 levels on Feb. 26) - Computer leases (deferred for FY26) - Transportation (structural deficit) - Stipends (structural deficit)	- K-8 math curriculum renewal ($265,000) - Google workspace ($54,000) - Science Curriculum Review (Cost Neutral) - Vision of a Learner (Cost Neutral) - Seal of Biliteracy (Cost Neutral) - Career & Technical Education - Engineering (Cost Neutral) - Chemical Hygiene Safety Plan Development (Cost Neutral) - BHS Curriculum Articulation Work (Cost Neutral) - World Language Curriculum Work (Cost Neutral) - ELA Curriculum Dev. (Cost Neutral) - SS Curriculum Training (Cost Neutral)	- Anticipated loss of Title II, III, and IV ($277,126) in federal grants (some funds restored on Feb. 26) - Furniture, Fixtures and Equipment ($75K historically carried in Capital Improvements, moved to operating budget) - Tuition, Transportation, Health Services contracted services, etc.

* Note: The Schools Subcommittee did not have time to do a deep dive into the reductions for the override or the failed override scenario therefore this information is taken from the PSB financials summary in the E&RSC final report, and questions would need to be directed to PSB staff.

Failed Override Scenario Summary (from PSB*)

FY 2027

- 58.2 FTEs cut (on top of 22.1 planned already)

Cuts include:

- Grade 1 classroom aides (13 FTE)
- 6-8 world languages (15 FTE)
- Classroom/guidance staff (15.6 FTE)
- Central office (2.6 FTE)

FY 2028-2029

- Additional staff reduction of ~130 FTE, predominantly classroom teachers
  - 46 at BHS
  - 84 PreK-8
- All K-8 after school sports, clubs, band, orchestra, drama, homework clubs, etc. eliminated or fee-based
- Athletic programming reduced and fees would rise significantly
- South Brookline bus service eliminated (previously subsidized by fees, which were removed with 2023 operating override)
- Could result in compliance, certification, and legal issues

* Note: The Schools Subcommittee did not have time to do a deep dive into the reductions for the override or the failed override scenario therefore this information is taken from the PSB financials summary in the E&RSC final report, and questions would need to be directed to PSB staff.

Schools Subcommittee Recommendations Summary

- Due to limited capacity from PSB administration and budget numbers being shared (December 18th)
  - Focused on analysis it could do independently or with limited data from PSB

- Acknowledge PSB's difficult circumstances and progress they have made
  - Right-sizing staff for enrollment
  - Opening PSB programs to tuition-paying students from other communities

- Subcommittee is supportive of an override with an agreement that the Town, School Committee, and PSB commit to the Select Board to undertake several cost and revenue-related efforts

Recommended Commitments (1 of 2)

1. PSB and Town administration collaborate to negotiate a reduced healthcare premium contribution by the Town, for Town and PSB employees, to align this contribution with that of comparable communities by end of calendar year 2028.

2. Create an approach through which the Schools manage wage expenses to a level approaching projected year-over-year revenue growth, including considering caps on wage increases or other creative contractual terms.

3. Evaluate an updated school model, to look at cost savings through classroom consolidation, including a possible middle school model or more robust classroom consolidation with possible redistricting, starting in FY27.

4. Complete the work included in the Town/School MOU from October 2025 with respect to using MUNIS as the town-wide financial system of record in partnership with the Town Finance department; PSB and the Town should work together to resolve any gaps needed to ensure that PSB can use MUNIS effectively by the end of fiscal 2027.

5. Ensure teaching assignments align with contractual terms, while maintaining necessary student support programming. Given time constraints, The E&RSC Schools Subcommittee was unable to determine if all teachers are currently working to the level of the contract.

Recommended Commitments (2 of 2)

6. Evaluate further cutting additional technology leases (e.g. by moving to shared Chromebooks or less online work overall) and educational technology subscriptions, especially in lower grades, after considering impact to educational objectives at each grade level.

7. Agree that all third-party users of space in school buildings between the hours of 7:00 AM and 5:30 PM enter into rental agreements with the PSB using its best efforts to negotiate fair market rates, including reimbursement for maintenance and utility costs .

8. Commit to conducting a pilot in partnership with the Town to test a more coherent model of facilities governance and youth athletics coordination.

9. Agree to review BEEP financials and work to bring the Revolving Fund portion of the program to a level as close to break-even on a full-cost allocated basis, including salaries, benefits and charges for administrative overhead, facility maintenance, depreciation, and debt service, if applicable and as the market will support.

Other Analysis & Recommendations

- CLA Report Follow up
- Town/School Financial Model
- Enrollment Forecasts

CLA Report Follow-Up

- The Subcommittee reviewed the CLA report, memos from the School Committee, the Town/School MOU from October 2025, and PSB documentation on progress across all areas identified by CLA
- There has been material progress on the areas identified in the Town/School MOU
- The Subcommittee did not have the specialized knowledge (e.g. HR policies) to validate several of the CLA recommendations
- CLA has been engaged to conduct a follow-up review and has committed to complete their report and provide an update to the SB by March 31, 2026

Town/School Financial Model

- Subcommittee formed in summer never completed its work
- Recommend reviving group to evaluate options
  - Is our approach optimal?
  - Provide more clarity and transparency with above and below the line costs
  - Provide more accountability
  - Evaluate consolidation of departments and establish clear relationships across departments via MOUs
  - Evaluate utility of establishing Special Ed reserve fund

Enrollment Forecasts

- Current PSB model is accurate looking out one year but is retrospective
- Model does not incorporate demographic and economic trends
  - Renders model unsuitable for longer term forecasting
- PSB has retained outside parties for longer-term forecasting
  - Forecasts assume certain policy, demographic and economic variables/brackets impacting consumer behavior
    - Mortgage rates, mortality/fertility, housing turnover, employment, buffer zone policy, etc.
  - Forecasts have proven accurate over periods longer than one year
    - Accuracy will decline as forecast ages
- Recommend School Committee add a policy to obtain independent forecast every three years
  - Could be update to existing work or a new analysis

Town Subcommittee

Savings and New Revenue in2027

Savings	
• Eliminate 5 FTE’s	425,500
• Reduce CIP to 6%	876,000
• Level Fund OPEB’s	100,000
• Reduce Elections Fund	100,000
• Reduce Contract Services	66,000
Total	1,567,000
New Fees	460,000

Override Proposal: Continuity of Service

• Miscellaneous Departments	1,275,000
• Fire Department: contract and overtime	1,710,000
• Police Department: positions and software	900,000
• DPW: tree protection and sustainability positions	625,000
• COA: transportation and administrative support	175,000
• Building Department: maintenance	150,000
• IT Licenses	125,000
• Collective Bargaining Reserve	350,000
Total	5,310,000

Cuts Without an Override

- 17.4 FTE’s + services, supplies and part-time staff in 2027
- 20 Firefighters (one engine) in 2028
- 5 FTE’s in 2029

Future Subcommittee

Future Subcommittee Focus

- Future Subcommittee focused on initiatives that would benefit the town outside of the 3 year override window
- Work was organized by cost reduction/avoidance, revenue increasing opportunities, and other analysis
  - Solar Initiative
  - Electrical Demand Management
  - School Model Analysis (referenced in Schools Subcommittee commitments)
  - Economic Development
  - OPEB Policy

Solar Initiative

- Committee recommends approval of Sustainability Division's $3.2 million initiative
  - With tax credits, costs could be reduced to $1.8-$2.1 million
- First step of a continuing solar investment for Brookline
  - Offers degree of control over ever increasing electricity usage and costs
  - Initiative projected to supply additional 13% of current usage
    - Provides an annual cost avoidance of $390,000
    - Provides a twenty-five year IRR ranging from 14%-24% depending on electricity cost inflation and size of tax credits

Electric Demand Management

- Demand charge is a cost added to standard usage cost per kWh
  - Based on peak usage during any 15-minute period in billing cycle
  - Added to every kWh in monthly cycle; represents 25%-40% of total charge
- Can be mitigated several ways, including:
  - Spreading loads by controlling when certain pieces of equipment allowed to turn on
  - Battery system charged during non-peak load periods
    - Stored power used to run equipment, reducing load on utility
    - Systems available, reliable and cost-effective

Economic Development

- Leadership and staffing
  - Select Board roles
  - TA evaluation of staffing, reporting
- Education (For SB, TM and relevant Boards and Commissions)
- Comprehensive plan
  - Urge consensus and identification of geographic areas for commercial development, affordable housing, etc.
  - On completion, SB instruct TA to implement systematic effort to revise Zoning By-Law
- Planning Board authorities
  - Allow grant authority for small/intermediate scale special permits

OPEBs

- Recommend SB not lock itself in Sept. 25 OPEB policy document
- SB appoint, by January 2027) a committee to evaluate OPEB policy including
  - Whether in 2031 OPEB policy should be increased to make up for prior deferred contributions and lost rate of return on those deferrals
  - OPEB policy should be modified to institute, consider or address:
    - Establishing a date certain for full funding of OPEB unfunded liability
    - Establish such a policy subject to limiting annual contribution to greater of FY30 contribution or a defined % of prior year levy
  - Consider using portion of funds freed if policy is changed to
    - Bring Town % funding of reserves into top decile of MA Aaa communities
    - Any other Town fiscal objective
- Any adjustment subject to discussions with Moody's and financial advisors and conclusion Town's Aaa rating not be meaningfully impacted

SELECT BOARD
Bernard Greene, Chair
David Pearlman, Vice Chair
John VanScoyoc
Paul Warren
Michael Rubenstein

333 Washington St.
Brookline, MA 02245
SelectBoard@BrooklineMA.gov
617-730-2200

Memorandum

To: Select Board
From: Melissa Goff, Deputy Town Administrator
Date: March 6 2026
Re: **Special Town Meeting within the Annual Town Meeting**
CC: Charles Carey, Town Administrator

As discussed at the Board's February 24th meeting, the Planning & Community Development Department has prepared two warrant articles for the Board's consideration for a potential Special Town Meeting. The Board can schedule this Special Town Meeting to commence within the Annual Town Meeting.

The Board will need to take a vote calling for a Special Town Meeting that waives the requirements of Sections 2.1.2 – 2.1.3 of the Town's By-Laws. The requirements being waived are:

1. posting notice of the Board's intention to hold a Special Town Meeting at least 14 days prior to the opening of the warrant (Section 2.1.2); and

2. closing the Warrant 75 days prior to the start of the Special Town Meeting (Section 2.1.3).

The Board does have the authority to waive these requirements under Section 2.1.4:

> "The requirements of sections 2.1.2 through 2.1.4, inclusive, may be waived when the Select Board determine that emergency conditions, or a situation requiring immediate actions or the provisions of any general or special law require such a waiver."

The recommended votes are as follows:

VOTE TO CALL SPECIAL TOWN MEETING

VOTED: To call a Special Town Meeting on Tuesday, May 26, 2026, at 7:30 p.m. at the High School Auditorium and via Zoom; to waive the requirements of Sections 2.1.2 through 2.1.4 of the Town's By-Laws; to open and close the Warrant; and to insert in the said Warrant the following articles:

DRAFT – FOR SELECT BOARD REVIEW

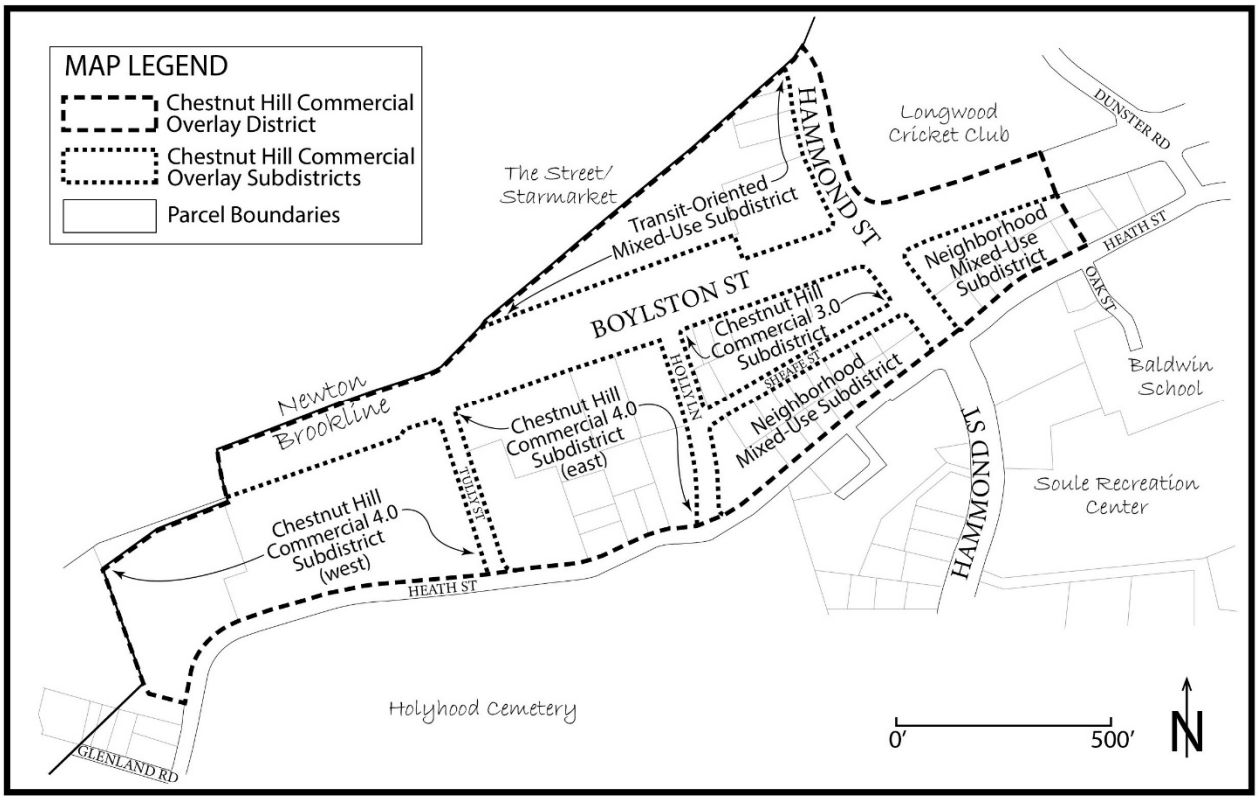
ARTICLE 1

FIRST ARTICLE

Submitted by: Select Board

To see if the Town will amend the Zoning By-Law and Zoning Map as follows:

1. **By adopting the following map change, adding a Chestnut Hill Commercial (CHC) Overlay District as shown below including parcels with the following Tax Parcel Identifications as noted below:**



Tax Parcel Identification	Street Address	Subdistrict
425-07-09	1268 Boylston St	Chestnut Hill
425-10-00	1280 Boylston St	Commercial 4.0
425-10-01	1290 Boylston St	Subdistrict (West)
425-11-00	1300 Boylston St	
425-12-00	1330 Boylston St	
425-07-00	629 Heath St	

425-07-01	19 Tully St	
426-05-00	1228 Boylston St	Chestnut Hill
426-04-01	1234 Boylston St	Commercial 4.0
426-01-03	1244 Boylston St	Subdistrict (East)
426-08-00	593 Heath St	
426-09-00	595 Heath St	
426-10-00	599 Heath St	
426-10-01	601 Heath St	
426-10-02	603 Heath St	
426-10-03	605 Heath St	
426-11-13	615 Heath St	
426-06-00	25 Holly Lane	
427-09-00	1182 Boylston St	Chestnut Hill
427-10-00	1190 Boylston St	Commercial 3.0
427-08-00	1192 Boylston St	Subdistrict
427-04-05	1198 Boylston St	
427-03-00	1212 Boylston St	
427-02-00	1216 Boylston St	
427-01-00	1218 Boylston St	
427-12-00	21 Sheafe St	
427-13-00	25 Sheafe St	
427-15-00	35 Sheafe St	
427-16-00	39 Sheafe St	
427-17-00	41 Sheafe St	
433-17-00	1154 Boylston St	Neighborhood Mixed
433-16-00	1162-1164 Boylston St	Use Subdistrict
433-11-12	1180 Boylston St	
423-10-00	614-622 Hammond St.	
428-07-00	615 Hammond St	
428-08-09	621 Hammond St	
433-04-00	501 Heath St	
433-08-00	513 Heath St	
433-09-00	517 Heath St	
433-09-01	521 Heath St	
428-10-00	545 Heath St	
428-11-00	555 Heath St	
428-12-00	557 Heath St	
428-13-00	559 Heath St	
428-14-00	563 Heath St	
428-01-00	26 Holly Lane	
428-06-00	8 Sheafe St	
428-05-00	14 Sheafe St	
428-04-00	18 Sheafe St	
428-03-01	22 Sheafe St	

428-03-00	26 Sheafe St	
428-02-02	30 Sheafe St	
428-02-00	34 Sheafe St	
286-06-00	1195 Boylston St	Transit-Oriented Mixed-Use Subdistrict
286-05-00	1207 Boylston St	
286-01-00	565 Hammond St	
286-02-00	571 Hammond St	
286-03-00	575 Hammond St	
286-04-00	577 Hammond St	

2. By amending § 3.01.4 – Overlay Districts – by adding a new item:

"q. Chestnut Hill Commercial Overlay District

1) Chestnut Hill Commercial 4.0 Subdistrict (CHC-4)
2) Chestnut Hill Commercial 3.0 Subdistrict (CHC-3)
3) Neighborhood Mixed-Use Subdistrict (CHC-NMU)
4) Transit-Oriented Mixed-Use Subdistrict (CHC-TOM)"

3. By amending Table 5.01 – Table of Dimensional Requirements – by adding Footnote 23, which shall read as follows:

"23. See § 5.06.4 – Special District Regulations, subsection q. Chestnut Hill Commercial Overlay District with respect to uses and all dimensional requirements."

and inserting Footnote 23 after *Any other structure or principal use* in the use columns for Districts T-6, T-5, and M-1.0; and by inserting language as underlined below in the use columns for Districts G-1.0, G-2.0, and O-2.0(CH):

(dwelling-footnotes 5, 23)

4. By amending § 5.06.4 – Special Districts – to create § 5.06.4.q "Chestnut Hill Commercial Overlay District" as follows:

q. Chestnut Hill Commercial (CHC) Overlay District

1) Intent and Purpose: It has been determined through the Chestnut Hill Commercial Area Study, as well as via the 2005 *Town of Brookline Comprehensive Plan*, that potential exists in the Chestnut Hill Commercial Area for careful, planned redevelopment to expand the Town's commercial tax base and improve the vibrancy and livability of the area. The Chestnut Hill Commercial Overlay District includes the following four Subdistricts indicated in Figure 5.06.4.q.1:

   a. Chestnut Hill Commercial 4.0 Subdistrict (CHC-4)
   High-impact economic development potential area with large, catalytic parcels capable of accommodating taller, mixed-use, campus-style development up to 12 to 14 stories in height that will add significant commercial uses to the area and expand the Town's tax base. Overlay zoning allows for larger, denser development contingent upon increased commercial activity, open space, and tree canopy provisions. This subdistrict includes two blocks between Boylston Street and Heath Street: CHC-4 West, located between the Newton-Brookline municipal border and Tully Street, and CHC-4 East, located between Tully Street and Holly Lane.

   b. Chestnut Hill Commercial 3.0 Subdistrict (CHC-3)
   Transitional commercial-oriented block. Location on a state highway and adjacency to the CHC-4 Subdistrict create the potential for denser development up to 7 stories in height. Serves as an important buffer zone between campus-style and smaller developments.

   c. Neighborhood Mixed-Use Subdistrict (CHC-NMU)
   Moderately dense, multifamily-oriented blocks with neighborhood-focused commercial uses on the ground floor along Boylston Street and Hammond Street. Maximum heights at a scale similar to already-permitted development (i.e. 4 to 6 stories) along with setback, step back, and tree canopy requirements will complement the character of the area while enhancing neighborhood identity, livability, and vitality. Bonus height for hotels or for projects with at least 50% Affordable Units to incentivize additional affordable housing.

   d. Transit-Oriented Mixed-Use Subdistrict (CHC-TOM)
   Urban, transit-oriented mixed-use subdistrict up to 7 stories in height.

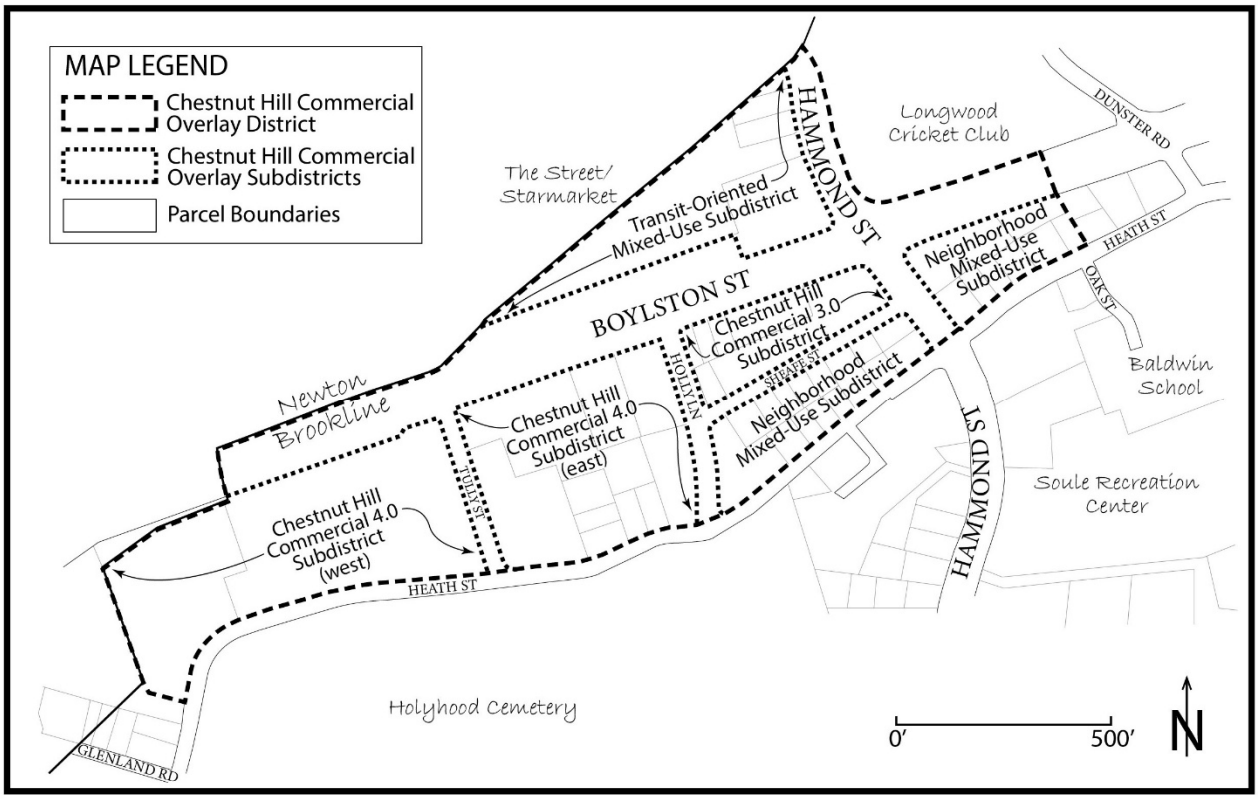


Figure 5.06.4.q.1: Subdistricts within the Chestnut Hill Commercial Overlay District

2) Conditions for Applicability: The CHC Overlay District is applicable to Projects, as defined under Sec. 5.06.4.q.3, that meet the following requirements:
    a. The minimum combined Lot Area for all parcels in a Project shall be 20,000 square feet, except in the CHC-NMU Subdistrict, where the minimum combined Lot Area for all parcels in a Project shall be 15,000 square feet;
    b. Projects shall provide Commercial Uses on the ground floor at a minimum depth of 30 feet for a minimum of 60% of each building's frontage along any Large Site Open Space, as well as each public right-of-way, except for Heath Street. The Zoning Board of Appeals may grant a Special Permit to allow the following exceptions to Sec. 5.06.4.q.2.b provided that the following conditions are met. Applications shall specify which of the following waivers from Sec. 5.06.4.q.2.b the Project seeks.
        i. The Board of Appeals may waive by Special Permit the minimum required percentage of commercial uses on the ground floor along segments of the public rights-of-way as specified in Figure 5.06.4.q.2 and as described in subparagraphs 1 through 5 provided that the Project design as a whole demonstrates the activation of the streetscape and the improved quality

of the pedestrian experience as recommended in the Design Guidelines applicable to this overlay district:

1. along Boylston Street within 500 feet of the easternmost boundary and 150 feet of the westernmost boundary of the CHC Overlay District;
2. along Sheafe Street;
3. along Hammond Street within 200 feet of the northernmost point of the CHC Overlay District;
4. along Holly Lane provided that at least 25 feet of the ground floor along Holly Lane at the intersection with Boylston Street is Commercial Use with a minimum depth of 30 feet; and
5. along Tully Street provided that at least 25 feet of the ground floor along Tully Street at the intersection with Boylston Street is Commercial Use with a minimum depth of 30 feet.

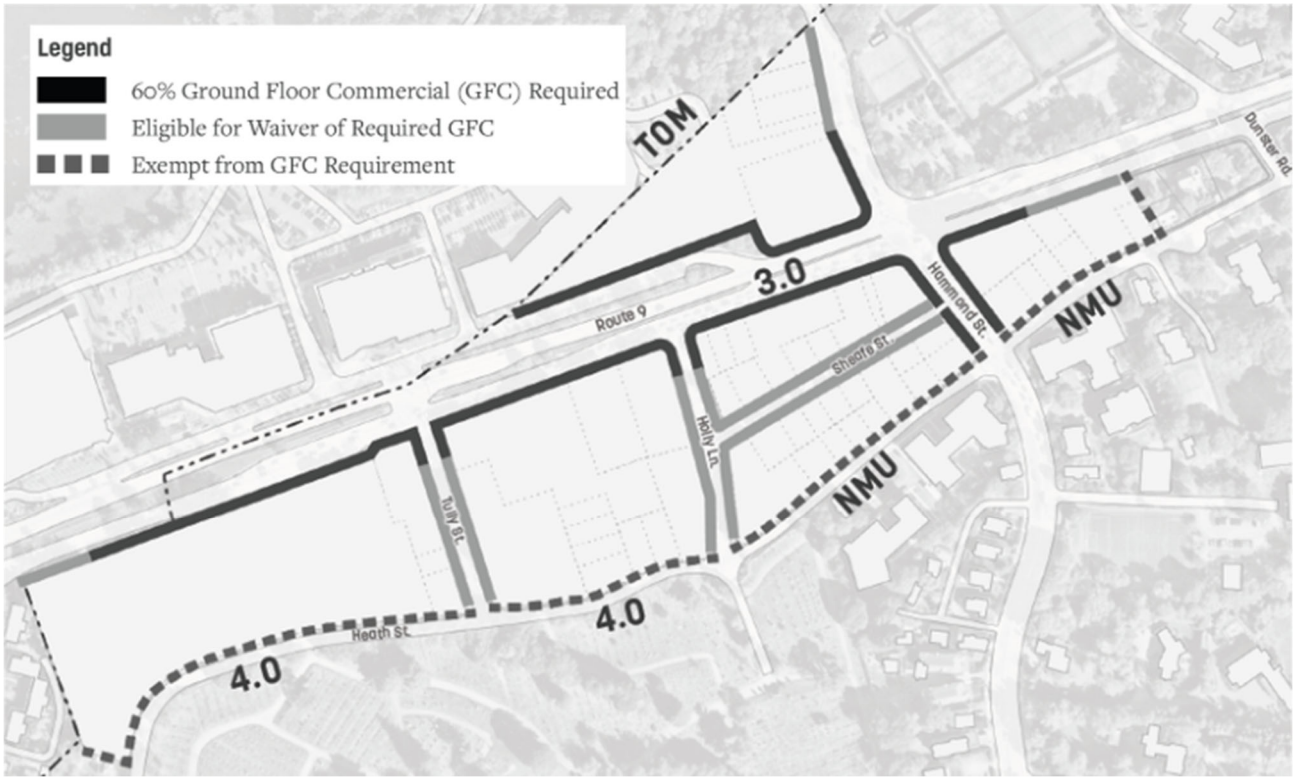


Figure 5.06.4.q.2: Ground Floor Commercial Requirements

c. Projects in the CHC-3 and CHC-4 Subdistricts shall comply with the following Minimum Commercial Use Requirements:
    i. Projects shall provide both in each phase of development as defined under Phased Development in the Sec. 5.06.4.q.3, as well as in the total

of any assembled parcels, an Effective Commercial Gross Floor Area Percentage, as defined in Sec. 5.06.4.q.3, of at least 51%.

ii. Fulfillment of the Minimum Commercial Use Requirement in Phased Development Scenarios: In cases where the Commercial Use requirement is met through the combination of separate buildings within the same Project, the temporary or permanent certificate of occupancy for a building or a portion of the building first constructed cannot be issued until the developer has provided evidence to the Director of the Planning & Community Development of financing as well as evidence to the Building Commissioner of Breaking Ground on the building or buildings with the remaining amount of commercial square footage needed to comply with the Minimum Commercial Use Requirements and any bonus threshold included in the Special Permit application.

iii. Maintenance of Required Commercial Uses: Once established, the Gross Floor Area devoted to Commercial Use shall be maintained for the life of the building. Conversion of a space from Commercial Use to non-commercial use shall be allowed only if the amount of the displaced Gross Floor Area devoted to Commercial Use is relocated elsewhere in the same Project and the Effective Commercial Gross Floor Area does not fall below the minimum or bonus threshold (if applicable) required for the Project. This provision does not apply to required Ground Floor Commercial Uses.

3) Definitions

Refer to Section 2 of the Zoning By-Law for any capitalized term used in this Section 5.06.4.q that is not included below or defined elsewhere in Section 5.06.4.q.3:

a. **Bioswale:** Swales that use vegetation and an engineered media beneath the swale to improve water quality, reduce the runoff volume, and modulate the peak runoff rate, usually located adjacent and parallel to lengths of impervious area to collect sheet flow of runoff.

b. **Breaking Ground**: The initial disturbance of surface materials associated with clearing, grading, or excavating activities or other construction activities; the placement of or mobilization for construction activities including but not limited to placing materials, machinery, supplies, or construction equipment on the Site and removing and disconnecting of utilities or water or sewer lines; and/or any alteration, demolition, repair, or improvements to a building or structure.

c. **Commercial Use**: Any use other than Residential (Uses #1 through 4), Utilities & Communication Use #29, and Accessory Uses.

d. **Contiguous Land Area**: A single, unified expanse of land in which all lots are physically connected to one another by shared boundaries or points of contact, such that the area functions as one continuous site for the purposes of development under the CHC Overlay District Zoning requirements.
e. **Cool Roof:** Roofs designed to reflect more sunlight than a conventional roof.
f. **Development Plan**: A plan illustrating the full build-out of a Project, including all proposed buildings, uses, circulation, utilities, open space, and phasing, as submitted in support of a Special Permit application.
g. **Green Roof:** A permanent rooftop planting system containing live plants in a lightweight engineered soil medium.
h. **Green Infrastructure:** Measures that use plant or soil systems, other permeable surfaces and substrates, stormwater harvest and reuse, or landscaping to reduce the current and future impacts of climate change.
i. **Effective Commercial Gross Floor Area Percentage**: The minimum percentage of commercial area required to utilize the CHC-3 and CHC-4 Subdistrict overlay zoning, as well as any density or height bonuses available in those subdistricts, shall be calculated by applying the following Effective Factors to the Gross Floor Area in the numerator, but not the denominator:

    a. Effective Factor of 1.5 for: Hotel Use (Use #5), Event or Conference Center Facilities (Use #27); Laboratory Use (Use #23); and Retail, Restaurant, & Consumer Services not exceeding 2,500 square feet of Gross Floor Area (Use #19).
    b. Effective Factor of 1.25 for: Retail Use #20 or 21 (i.e. Other Retail, Restaurant, & Consumer Services with 2,500 to 9,999 square feet); and Medical Office Use #6, not including Veterinary Office.

    For example, an application with 200,000 square feet of Gross Floor Area of Residential Uses and 200,000 square feet of Gross Floor Area of Hotel Use would have a 75% Effective Commercial Ratio:

    [1.5 x (200,000 sq. ft of Hotel Use)] / 400,000 sq. ft. of Total Gross Floor Area = 75%

j. **Open Space, Large Site**: Projects in the CHC-4 Subdistrict with a combined Lot Area of 2 acres or greater, which are subject to Large Site Review Criteria under Sec.

5.06.4.q.8, shall be required to provide usable open space located at ground level that meet all of the following conditions:

a. Is conspicuously visible from at least one right-of-way;
b. Is at least 4,000 contiguous square feet no less than 40 feet in any dimension;
c. Is not restricted in access or visibility by fences or walls; and
d. Contains activating public amenities including, but not limited to, benches, picnic tables, playground equipment, public art, shade structures or tree canopy, water fountains or features, multipurpose or performance spaces, or similar amenities with clearly articulable public benefits. Such public amenities shall be located at a minimum of every 900 square feet.
e. Provides at least one publicly accessible pedestrian passageway interior to the Project's site between the Project's buildings that establishes a pedestrian connection between Heath Street and Boylston Street. This Heath-Boylston Street pedestrian connection shall meet the Department of Public Works' standards for safe pedestrian access, especially where this pedestrian connection intersects with interior vehicular driveways or parking areas.

k. **Open Space, Landscaped:** For the purposes of Sec. 5.06.4.q only, Landscaped Open space is defined as the part or parts of a lot at ground level designed and developed for pleasant appearance in trees, shrubs, ground covers and grass, including other landscaped elements such as natural features of the site, walks and terraces. Such space may not include Lot Area used for parking, access drives or other hard surfaced areas, except walks, and terraces as noted above, designed and intended for non-vehicular use.
l. **Open Space, Usable**: For the purposes of Sec. 5.06.4.q only, Usable Open space is defined as the common or private outdoor space designed, accessible, and dimensioned for meaningful recreation by occupants of the principal use. Such space may include lawns, landscaped courtyards, balconies, roof decks, or ground-level space open to sky, excluding shading devices, but shall not serve as required vehicular access, parking, or service space. The dimensions of common areas on the ground-level or roof decks shall be a minimum of 15 feet wide by 15 feet deep. Private balconies shall have a minimum of depth of 5 feet.
m. **Phased Development**: A coordinated development approach whereby the total project is implemented over time through a series of interrelated phases, the timing, sequencing, and scope of which are outlined in the Special Permit application, that collectively fulfill the zoning overlay requirements, approved Special Permit requirements, and public benefit commitments.

n. **Pollinator Garden or Pathway:** A garden or pathway of at least 50 square feet comprised primarily of native plants with high-habitat and foraging value for local pollinator species throughout the entire year.

o. **Project**: A coordinated development proposal on a Contiguous Land Area within the same subdistrict in Chestnut Hill Commercial Overlay Zoning District, subject to Special Permit approval, involving one or more buildings or uses that may be constructed in phases and located on one or more contiguous lots under common ownership or control. A Project may be constructed in phases; however, all buildings, uses, and phases shall be depicted on a Development Plan submitted as part of a single Special Permit application. Minimum lot area, dimensional, and use requirements applicable within the Overlay District shall apply to the Project site as a whole at the time of Special Permit approval. However, development proposals within the CHC-4 Subdistrict may include non-contiguous lots as long as all other zoning requirements are met.

p. **Rain Gardens**: Specially designed planted depressions in the ground that collect, filter, and treat stormwater.

q. **Other Retail, Restaurant, and Consumer Services:** Establishments primarily serving local business needs of residents in the vicinity, including: *retail* uses not limited to food store, variety, clothing, hardware, book, flowers, drugs; *eating places* not limited to restaurant, place for the sale and consumption of beverages, ice cream and the like; *service-based businesses* not limited to barber, beauty shop, laundry and dry-cleaning, shoe repair, tailoring, or other similar use; *arts and education-based uses* not limited to painting or pottery classes, music or dance/movement classes, or other academic enrichment classes. Distribution centers or warehouses are not included. *Live entertainment and dancing* shall only be allowed in establishments of 5,000 square feet or more of Gross Floor Area.

4) Procedures

Any applicant may seek relief under the CHC Overlay District by Special Permit per § 9.03, and the procedures and standards described in § 5.09 Design Review.

5) Affordable Housing

In addition to being subject to § 4.08 Affordable Housing Requirements, Projects proposed under the CHC-NMU Subdistrict with at least 50% Affordable Housing Units may seek an Affordable Housing height bonus.

6) Table of Use Regulations

Any proposed building shall be allowed to have more than one principal use. For example, a restaurant may be located in the same building as a permitted medical office use or an event and conference facility may be located in a hotel without being considered an accessory use. Accessory Uses incidental to and on the same lot as a principal use are also allowed. Unless otherwise specified in a condition of a Special Permit, uses denoted in Table 5.06.4.q.1 as "Allowed" may be interchanged with other "Allowed" uses without a modification to the Special Permit Decision, but any change of uses must comply with the Minimum Commercial Use Requirements in Section 5.06.4.q.2.c.

TABLE 5.06.4.q.1: PRINCIPAL USES
(No = Not Allowed, Yes = Allowed, SP = Special Permit Required)

	#	Use Category	CHC-4	CHC-3	CHC-NMU	CHC-TOM
Residential Uses	1	Residential, four to eight Dwelling Units within a Building	No	No	Yes	No
	2	Residential, greater than eight Dwelling Units within a Building	Yes	Yes	Yes	Yes
	3	Life care facilities, incorporating independent apartment living units with kitchens combined with supportive medical, nursing, or other shared facilities (note: property owners may *choose* to restrict housing by age as allowed by state and federal laws with respect to fair housing, but it is not a requirement of the CHC Overlay District)	SP	SP	SP	SP
	4	Licensed hospital or other establishment for the care of sick, disabled, or convalescent persons without independent living units including kitchens	No	No	No	No
Hotel Uses	5	Hotel or Limited Service Hotel	SP	SP	SP	SP
Office Uses	6	Medical or Veterinary Office, including: aesthetic, medical, or dental procedures requiring a license. Also includes laboratories incidental thereto. Does not include overnight boarding of pets for non-medical reasons.	Yes	Yes	Yes	Yes
	7	Other business, professional, or office use	Yes	Yes	Yes	Yes
	8	Gasoline station or car washing facility	No	No	No	No

Automotive Uses	9	Sale, rental, repair, or storage of automobiles or other motor vehicles of greater than three wheels, or of tires or other motor vehicle accessories	No	No	No	No
	10	Other drive-in or drive-through use	No	No	No	No
Retail, Restaurant, and Consumer Services	11	Bank	Yes	Yes	SP	Yes
	12	Storage, self-storage, warehouse, wholesale, jobbing, or distributing establishment	No	No	No	No
	13	Marijuana cultivation, manufacture, delivery, storage, testing, recreational or medical sales, or social consumption	No	No	No	No
	14	Entertainment and recreational facilities, including but not limited to bowling alley, theater, and concert hall but not including adult entertainment facilities, provided that such use is housed in a structure sufficiently sound-insulated so as to protect the neighborhood from inappropriate noise in any season	SP	SP	SP	SP
	15	Health and fitness club not exceeding 2,500 square feet of Gross Floor Area	Yes	Yes	Yes	Yes
	16	Health and fitness club exceeding 2,500 square feet of Gross Floor Area	Yes	Yes	SP	Yes
	17	Firearm business uses	No	No	No	No
	18	Mortuary, undertaking, or funeral establishment	No	No	No	No
	19	Other Retail, Restaurant, & Consumer Services as defined in § 5.06.4.q.3 not exceeding 2,500 square feet of Gross Floor Area	Yes	Yes	Yes	Yes
	20	Other Retail, Restaurant, & Consumer Services as defined in § 5.06.4.q.3 with 2,500 to 4,999 square feet of Gross Floor Area	Yes	Yes	Yes	Yes
	21	Other Retail, Restaurant, & Consumer Services as defined in § 5.06.4.q.3 with 5,000 to 9,999 square feet of Gross Floor Area	Yes	Yes	SP	Yes
	22	Other Retail, Restaurant, & Consumer Services as defined in § 5.06.4.q.3 with 10,000 to 65,000 square feet of Gross Floor Area, with a ground floor not to exceed 22,000 square feet of Gross Floor	SP	SP	No	SP

		Area with the exception of grocery store uses, which shall not exceed 30,000 square feet of Gross Floor Area on the ground floor.				
Laboratory Use	23	Research and Development Laboratory. A facility for scientific or medical research, testing, and prototype development in one or more scientific fields, including, but not limited to, life sciences, biotechnology, biomedical research, robotics, medical devices, photonics, or climate technology. Research and Development Laboratory may include a research laboratory for scientific or medical research with a Biosafety Level of Level 1 or Level 2, as defined by and subject to all applicable requirements of the U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, and National Institutes of Health (but shall not include Biosafety Level 3 or higher laboratories).	SP	SP	No	No
Industrial Uses	24	Brewery or winery	SP	SP	No	SP
	25	Plumbing shop, carpentry shop, other similar service or repair establishment	SP	No	No	SP
	26	Other industrial or manufacturing uses	No	No	No	No
Other Uses	27	Event center or conference facilities with an occupancy no greater than 600 persons	SP	SP	No	SP
	28	Data centers: Facilities primarily used for the housing, operation, and maintenance of computer servers, data storage systems, and related equipment, including associated mechanical, electrical, and cooling infrastructure, for the processing, storage, and distribution of electronic data.	No	No	No	No
	29	Utilities & Communication uses described as Uses 40 through 41 in Use Table 5.01, except no Large Dish Antenna (Use 40B) shall be permitted	Yes	Yes	Yes	Yes

TABLE 5.06.4.q.2: ACCESSORY USES (No = Not Allowed, Yes = Allowed, SP = Special Permit Required)						
	#	**Use Category**	**CHC-4**	**CHC-3**	**CHC-NMU**	**CHC-TOM**
Automotive Uses	30	Underground or structured parking garage or surface-level parking area located within 600 feet of the Principal Use.	Yes	Yes	Yes	Yes
	31	Electric Vehicle Charging Hub. Public or private parking space(s) served by battery charging equipment for the purpose of transferring electric energy to an Electric Vehicle's battery or energy storage device.	Yes	Yes	Yes	Yes
Other Uses	32	Accessory Dwelling Units, Short-Term Rentals, Residential-based businesses and Daycares, Non-Commercial Greenhouse, Ground-Mounted Solar, and Swimming Pool Accessory Uses as described in Use Table 5.01 as Accessory Uses 51B, 51C, and 58 through 62.	Yes	Yes	Yes	Yes

7) Building Envelope

This section describes the three-dimensional space within which all building construction must occur.

a. Floor Area Ratio (FAR):
   i. In the CHC-4 Subdistrict, the maximum Floor Area Ratio is 4.0.
   ii. In the CHC-3 Subdistrict, the maximum Floor Area Ratio is 3.0, however Projects with at least 90% of the required parking located below grade shall receive a bonus maximum FAR of 4.0.

TABLE 5.06.4.q.3: MAXIMUM FLOOR AREA RATIO (FAR)		
	Maximum FAR	Bonus FAR
CHC-4	4.0	
CHC-3	3.0	4.0
CHC-NMU	n/a	
CHC-TOM	n/a	

b. Setbacks

i. Setback requirements indicated with an asterisk in Table 5.06.4.q.4 may be reduced by Special Permit.

TABLE 5.06.4.q.4: BUILDING SETBACKS					
Depth of Setbacks from the lot line fronting on the streets or boundaries listed below to the building façade:	**CHC-4**		**CHC-3**	**CHC-NMU**	**CHC-TOM**
	West	**East**			
Westernmost Border of the CHC Overlay District as shown in Figure 5.06.4.q.3	40’ min	n/a	n/a	n/a	n/a
Southwestern-most Border of the CHC Overlay District as shown in Figure 5.06.4.q.3	25’ min	n/a	n/a	n/a	n/a
Easternmost Boundary of the CHC Overlay District as shown in Figure 5.06.4.q.4	n/a	n/a	n/a	10’ min*	n/a
Heath Street	25’ min	25’ min	n/a	5’ min	n/a
Boylston Street	10’ min* 55’ max	10’ min*	10’ min*	5’ min	10’ min*
Hammond Street	n/a	n/a	5’ min	5’ min	5’ min
Tully Street	10’ min*	10’ min*	n/a	n/a	n/a
Holly Lane	n/a	10’ min*	10’ min*	10’ min*	n/a
Sheafe Street	n/a	n/a	5’ min	5’ min	n/a
Northernmost Border of the CHC Overlay District as shown in Figure 5.06.4.q.4	n/a	n/a	n/a	n/a	5’ min*
**May be reduced by Special Permit.*					

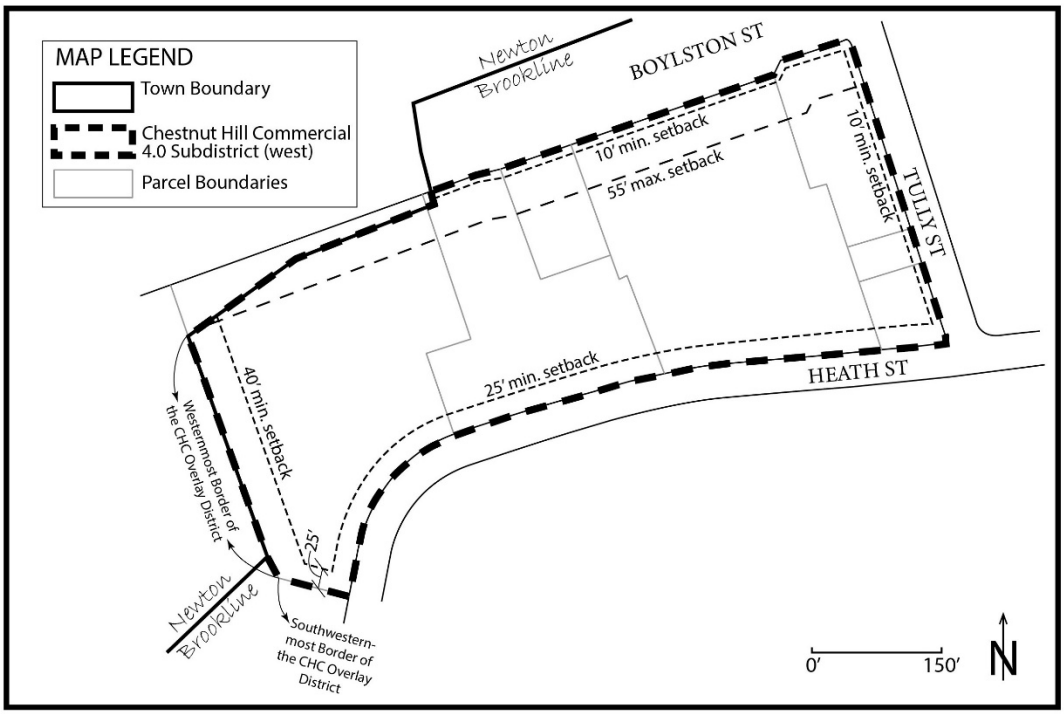


Figure 5.06.4.q.3: Building Setbacks Diagram for the CHC-4 Subdistrict

c. Space between buildings:

In the CHC-4 Subdistrict, a Project with more than one building three stories or taller that are not separated by a Town-owned public right-of-way shall have at least 25 feet of space between the Project's buildings and at least 25 feet of space between the Project's buildings and Lot lines perpendicular to Boylston Street.

d. Maximum Building Height & Step Backs

Building height is measured as the vertical distance from the average finished ground level at the facade(s) to the top of the structural beam or joists at the uppermost story. Height restrictions shall apply to all portions of a structured parking area or building, excepting rooftop equipment including but not limited to elevator penthouses, mechanical equipment enclosures, water tanks and towers, and cooling towers, given that such equipment is appropriately screened as provided in §5.31.1 and §5.75.3.

Maximum Building Heights are specified in TABLE 5.06.4.q.5: Maximum Building Height.

Other relief by Special Permit under §5.43, §5.21 and §5.32 shall not apply to the CHC Overlay District.

TABLE 5.06.4.q.5: MAXIMUM BUILDING HEIGHT				
	CHC-4	**CHC-3**	**CHC-NMU**	**CHC-TOM**
Maximum Building Height	150’	88’	50’	88’
Maximum Building Height with Bonus, as described in Section 5.06.4.q.7.d.i	175’	-	75’	-
Within 170’ of the westernmost boundary of the study area; within 60’ of the easternmost boundary of the CHC-4 Subdistrict; and within 30’ of Tully Street, as shown in Figure 5.06.4.q.4	88’	-	-	-
Within 170’ of the northernmost point of the CHC-TOM Subdistrict, as shown in Figure 5.06.4.q.4	-	-	-	75’



Figure 5.06.4.q.4: Maximum Building Height by Subdistrict

i. Maximum Building Height Bonuses:

1. In the CHC-4 Subdistrict, as outlined in TABLE 5.06.4.q.5, bonus height shall be awarded in such cases wherein the relevant phase of development achieves an Effective Commercial Gross Floor Area Percentage of at least 60%, as confirmed by the Director of Planning & Community Development. Bonus height shall not be awarded within 170' of the westernmost boundary of the study area, 60' of the easternmost boundary of the CHC-4 Subdistrict, or within 30' of Tully Street.
2. In the CHC-NMU Subdistrict, as outlined in TABLE 5.06.4.q.5, bonus height shall be awarded to Projects that:
    a. include Hotel (Use #5 in Table 5.06.4.q.1) as the predominant use, or
    b. receive a favorable recommendation from the Housing Advisory Board based on the provision that at least 50% of a Project's residential units are affordable and that those units are in compliance with the income-related affordability guidelines pertaining to this affordable housing bonus incentive, which shall be developed by the Housing Advisory Board and approved by the Planning Board.

ii. Building Step Backs:

1. Required Building Step Backs, which are measured from the primary building façade at-grade, are outlined in Table 5.06.4.q.4.
2. The following step backs may be reduced by 5 feet by Special Permit:
    a. In the CHC-4 Subdistrict, Boylston Street step backs at Story 3 or 4 and Story 7 or 8; and
    b. In the CHC-NMU Subdistrict:
        i. Heath Street step back at Story 4.
        ii. Eastern Boundary of the Study Area step back at Story 3 or 4.

TABLE 5.06.4.q.6: BUILDING STEP BACKS					
Depth of Step Backs from Facades Facing:	**Above Story**	**CHC-4**	**CHC-3**	**CHC-NMU**	**CHC-TOM**
Heath Street	1 or 2	-	n/a	-	n/a
	3 or 4*	**10 ft.**	n/a	***10 ft. above Story 4**	n/a
	7 or 8	**20 ft.**	n/a	n/a	n/a
Boylston Street	1 or 2	-	-	-	-
	3 or 4	**10 ft.**	-	-	-
	7 or 8	**20 ft.**	-	-	-
Hammond Street	1 or 2	n/a	-	-	-
	3 or 4	n/a	-	-	-
	7 or 8	n/a	-	-	-
Tully Street	1 or 2	-	n/a	n/a	n/a
	3 or 4	**-**	n/a	n/a	n/a
	7 or 8	-	n/a	n/a	n/a
Holly Lane	1 or 2	-	-	-	n/a
	3 or 4	-	-	-	n/a
	7	-	-	-	n/a
Sheafe Street	1 or 2	n/a	-	-	n/a
	3 or 4	n/a	-	-	n/a
	7 or 8	n/a	-	-	n/a
Easternmost Border of the Study Area as shown in Figure 5.06.4.q.4	1 or 2	n/a	n/a	-	n/a
	3 or 4	n/a	n/a	**10 ft.**	n/a
	7 or 8	n/a	n/a	-	n/a

e. Massing Modulation Requirements:

i. Building facades 200 feet or longer shall employ at least one or more architectural elements, such as insets, courtyards, or bays, as outlined in the design guidelines applicable to this overlay district.

ii. In the West block of the CHC-4 Subdistrict, buildings longer than 200 feet shall employ inset breaks in the massing for a minimum of 30% of any

facade facing Boylston Street or Heath Street. The depth of insets along Boylston Street should be a minimum of 15 feet from the primary building facade at grade, and the depth of insets along Heath Street should be a minimum of 65 feet from the primary building facade at grade.

8) Large Site Review Criteria
For Projects that total at least 2 acres or more of Contiguous Land Area, Large Site Review Criteria outlined in the design guidelines applicable to this overlay district shall apply.

9) Floor-to-Floor Heights
The minimum finished floor-to-floor height for all ground floor levels with commercial space is 15 feet. The minimum finished floor-to-floor height for all other levels is 10.5 feet.

10) Blank Wall Treatment
Blank walls with length greater than 16 feet shall apply at least one of the following treatments such that no portion of the untreated blank wall exceeds 8 feet along Boylston Street or Hammond Street, nor exceeds 16 feet in length along any other Street, Usable Open Space, or Large Site Open Space:
   a. Graphics, such as signage, mural, and/or other art installation.
   b. Surface texture with projection or recession of at least 2 inches.
   c. Living plant material such as a green/living wall, and/or plants of sufficient height to screen the blank wall rooted in the ground or in planters.

11) Parking for Vehicles and Bicycles
   a. Vehicular parking requirements for Projects proposed under the CHC Overlay District shall be as follows, superseding any conflicting requirements under Article 6:

TABLE 5.06.4.q.7: VEHICULAR PARKING REQUIREMENTS				
Per Dwelling Unit of Residential Uses, per Room of Hotel Uses, or per 1,000 Gross Floor Area of other Uses	**CHC-4 Min-Max**	**CHC-3 Min-Max**	**CHC-NMU Min-Max**	**CHC-TOM Min-Max**
General Office Use #7	0.5 - 3.0	0.5 - 3.0	0.5 - 3.0	0.0 - 1.0
Medical Office Use #6	1.5 - 4.0	1.5 - 4.0	1.5 - 4.0	0.5 - 2.0
Hotel Use #5	0.5 - 1.0	0.5 - 1.0	0.5 - 1.0	0.0 - 0.75
Conference / Event Facilities Use #27	0.5 - 4.0	0.5 - 4.0	N/A	0.5 - 2.0

Laboratory Use #23, Industrial Uses #24-25, Accessory Uses #32	0.5 - 1.25	0.5 - 1.25	N/A	0.0 - 0.75
Residential Uses #1-3				
Studio	0.0 - 1.0	0.0 - 1.0	0.0 - 1.0	0.0 - 0.5
1-Bedroom	0.0 - 1.0	0.0 - 1.0	0.0 - 1.0	0.0 - 1.0
2-Bedroom	0.5 - 2.0	0.5 - 1.5	0.5 - 1.5	0.0 - 1.0
>2-Bedroom	0.5 - 2.0	0.5 - 2.0	0.5 - 2.0	0.0 - 1.5
Retail, Restaurant & Consumer Services				
Uses #11-19	0.0 – 3.5	0.0 – 3.5	0.0 – 3.5	0.0 - 1.0
Use #20	0.5 – 3.5	0.5 – 3.5	0.5 – 3.5	0.0 - 1.5
Uses #21 and 22	0.5 – 3.5	0.5 – 3.5	N/A	0.0 - 2.0

b. The number of Vehicular or Bicycle Parking Spaces required in a common parking facility may be reduced below the sum of each use's requirement by Special Permit if it can be demonstrated to the Zoning Board of Appeals that the hours or days of peak parking need for the uses are so different that a lower total will provide adequately for all uses served by the relevant facilities. A shared-use parking demand analysis and an operations coordination plan that meet the data requirements specified in the Engineering and Transportation Division's Standards, shall demonstrate to the satisfaction of the Transportation Division that the respective peak parking demands for each use do not coincide.
c. Vehicular and bicycle parking minimums may be decreased by 30% only for permanently age-restricted dwelling units.
d. Vehicular parking maximums may be increased by 20% by Special Permit following positive recommendation by the Director of Engineering and Transportation or their designee and subject to conditions to mitigate any traffic impacts.
e. For Parking Lot Design Standards only, § 6.01, 6.03 and 6.04 shall apply, except that overnight parking may be restricted to residential uses and individual residential parking spaces may be designated. Additionally:
    i. no more than 2% of the total number of vehicular surface parking spaces may be designated for four or more hours of occupancy;
    ii. the exterior boundary of parking structures shall screen the full height of each parking level, although such screening may be permeable for ventilation purposes; and
    iii. parking structure ventilation shall be designed to minimize impact to Dwelling Units.
f. For Bicycle Parking Definitions and Design Standards only, Section 6.05 shall apply.

g. For the number of bicycle parking spaces required, Table 5.06.4.q.8 Bicycle Parking Requirements supersedes § 6.05. For Bicycle Parking Definitions and Design Standards only, § 6.05 shall apply.
h. Short-Term Bicycle Parking Spaces shall be located outside of the building footprint and easily identified by visitors to the Project.

TABLE 5.06.4.q.8: BICYCLE PARKING REQUIREMENTS				
LT = Long-Term Bicycle Parking Space **ST = Short-Term Bicycle Parking Space**				
Per Dwelling Unit of Residential Uses, per Room of Hotel Uses, or per 1,000 Gross Floor Area of other Uses	**CHC-4** Min	**CHC-3** Min	**CHC-NMU** Min	**CHC-TOM** Min
General or Medical Office Uses #6 and 7	0.25 ST	0.25 ST	0.25 ST	0.5 ST
Laboratory Use #23, Industrial Uses #24-25, Accessory Uses #32	0.25 ST	0.25 ST	N/A	0.5 ST
Hotel Use #5	0.05 ST	0.05 ST	0.05 ST	0.05 ST
Conference / Event Facilities Use #27	0.05 ST	0.05 ST	n/a	0.05 ST
Residential Uses #1-3				
Studio	0.1 ST / 0.15 LT	0.1 ST / 0.15 LT	0.1 ST / 0.15 LT	0.1 ST / 0.25 LT
1-Bedroom	0.1 ST / 0.15 LT	0.1 ST / 0.15 LT	0.1 ST / 0.15 LT	0.1 ST / 0.25 LT
2-Bedroom	0.1 ST / 0.15 LT	0.1 ST / 0.15 LT	0.1 ST / 0.15 LT	0.1 ST / 0.25 LT
>2-Bedroom	0.25 ST / 0.25 LT	0.25 ST / 0.25 LT	0.25 ST / 0.25 LT	0.25 ST / 0.5 LT
Retail, Restaurant & Consumer Services				
Uses #11-19	0.25 ST	0.25 ST	0.25 ST	0.5 ST
Use #20	0.5 ST	0.5 ST	0.5 ST	0.75 ST
Uses #21-22	0.5 ST	0.5 ST	n/a	0.75 ST

12) Pedestrian Circulation

a. In the CHC-4 Subdistrict, in the case of contiguous parcels located between Boylston Street and Heath Street with frontage on both streets, reasonable and efficient ADA-accessible, public pedestrian path providing through-access must be provided and maintained between these two public rights-of-way at an interval not exceeding 250 feet along either right-of-way. No through-access, ingress, or egress located within 30 feet of Tully Street may satisfy the

requirements of this subsection. For reference, see examples of through-block connections indicated in the zoning envelope diagrams in the design guidelines applicable to this zoning overlay.

b. In the CHC-TOM Subdistrict, a reasonable and efficient, ADA-accessible public pedestrian path providing through-access between Boylston Street and Hammond Street must be provided and maintained. Through-access or points of ingress or egress shall not be within a 170 feet radius of the northwestern corner of the Boylston and Hammond Street intersection.

13) Vehicular Circulation

Vehicular Access Restrictions on Heath Street: No new curb cut, driveway opening, or vehicular access point shall be permitted along the Heath Street frontage of any lot or parcel located within the West block of the CHC-4 Subdistrict, except for emergency vehicle access pending review and approved by the Director of Engineering & Transportation or their designee.

14) Open Space

The following open space standards shall be required in lieu of any open space requirement listed in Table 5.01.

a. For Projects in the CHC-NMU and CHC-3 Subdistricts, the minimum on-site Usable Open Space shall be 25 square feet per Dwelling Unit.
b. For Projects the CHC-TOM Subdistrict: A minimum of 10% of the Lot Area shall be dedicated as Landscaped Open Space, including landscaping or vegetative buffers, of which hard surfaced walks and terraces may not exceed 50 percent of the total required Landscaped Open Space.
c. For Projects the CHC-4 Subdistrict:
    i. A minimum of 15% of the Lot Area shall be dedicated as Landscaped Open Space, including landscaping or vegetative buffers, of which hard surfaced walks and terraces may not exceed 30 percent of the total required Landscaped Open Space.
    ii. For Projects with a combined Lot Area of 2 acres or greater, an additional 5% of the Lot Area shall be dedicated as Large Site Open Space.
    iii. For Projects with a combined Lot Area of less than 2 acres, the minimum on-site Usable Open Space shall be 25 square feet per Dwelling Unit.

15) Tree Canopy & Sustainable Site Measures

Projects under the CHC Overlay shall enhance the Town's tree canopy through fulfillment of the following requirements.

a. Preserved or newly planted trees, which shall be planted and healthily maintained, including adequate watering during establishment, shall be sufficient to create mature canopy coverage equal to the following minimum Lot Area, based on the size of the Lot, as follows:

TABLE 5.06.4.q.9: TREE CANOPY REQUIREMENTS

Lot Size	Minimum Percent of Lot as Tree Canopy
<1 acre	2%
1 – 1.5 acres	5%
1.5 – 2 acres	9%
2 acres or greater	15%

b. If approved by the Tree Warden, an applicant may offset a square foot of tree canopy requirements by two square feet of tree canopy planted and maintained in the public way within 1,000 feet of the Chestnut Hill Commercial Overlay District.

c. For Projects less than 1 acre, the Tree Canopy requirement may be reduced if the Tree Warden agrees that the design of included Green Infrastructure methods provides a similar magnitude of at least two of the following tree canopy functions: reducing urban heat island effects, managing stormwater runoff beyond what is otherwise required, providing a carbon sink, or providing wildlife habitat or forage materials. The design may include, but is not limited to, the provision of Green or Cool Roofs, Pollinator Gardens or Pathways, Bioswales, and Rain Gardens.

d. For Projects greater than 1 acre, as an alternative or partial alternative to the tree canopy standards, a payment to the Town's Tree Planting fund may be made for up to half of the Tree Canopy requirement or 5% of the Lot Size, whichever is less. The monetary contribution to the Town's Tree Preservation Fund required for tree(s) equivalent to achieve the canopy requirements outlined in Section 5.06.15 shall be specified by the Department of Public Works.

e. Trees that are planted on-site may simultaneously count as mitigation related to other By-Laws such as the Tree Preservation Bylaw. However, any off-site tree planting or payment in lieu of this tree canopy standard shall not be also accounted for to comply with other By-Laws.

16) Pedestrian, Bicycle, Streetscape & Vehicular Infrastructure Improvements

Any applicant utilizing the CHC Overlay District shall devote no less than 2% of the hard construction cost of constructing its Project (including any building, site work, above

ground or underground structures, but exclusive of tenant fit-up) to making off-site streetscape improvements (such as, but not limited to, intersection safety improvements, pedestrian-scale lighting, public art, street furniture) or public safety improvements (collectively, “Mitigation Work”) within a quarter mile of the CHC Overlay District boundaries. In addition to review by the Planning Board, a plan of any proposed off-site improvements shall be submitted for the review and approval of the Director of Engineering & Transportation and the Director of Parks and Open Space or their designees. Alternatively, the applicant may make a financial contribution to the Town in an equivalent dollar amount to be used by the Town for such purposes.

For applications with projects over 100,000 square feet of non-residential space or 100 residential units, which will also be preparing a Transportation Impact Study and an Access Plan Agreement (which includes a specific mitigation plan, conditions, and an annual permit to monitor mode split and traffic conditions), the Mitigation Work value may be reduced to a number less than 2% but no less than 1.25% by an agreement with the Town through its Select Board, and recommended by the Director of Engineering & Transportation, if that agreement demonstrates that the Project and any off-site vehicular mitigation work separately provided by the applicant will fully offset all vehicular impacts directly caused by the project described in the application. In this case, funding based on the agreed upon percentage of hard construction costs shall be devoted to: (a) pedestrian, bicycle, and streetscape improvements; and (b) funds towards planning, designing, or implementing any pedestrian, bicycle, streetscape, or vehicular infrastructure improvements that the town is pursuing within a quarter mile of the CHC Overlay District boundaries to mitigate the cumulative impacts of developments anticipated in the CHC Overlay District.

17) Design Standards and Guidelines

Design Standards and Guidelines are applicable to all Projects under the CHC Overlay District and shall be used as the review criteria by the Review Authority, the Planning Board. The Planning Board may modify the design guidelines, but not the standards reflecting requirements under the Zoning By-Law, applicable to the CHC Overlay District. Public notice and the opportunity for public comment shall be given prior to the Planning Board’s adoption or amendment of the CHC Overlay District’s design guidelines. In addition to any design guidelines adopted by the Planning Board for the CHC Overlay District, building façades parallel to or within 45 degrees of parallel to any property line shall be designed and constructed with equal care and quality.

18) Signage

For the campus-style development anticipated in the CHC-4 Subdistrict, and notwithstanding the requirements of Article VII, by Special Permit the Zoning Board of Appeals may adjust or waive applicable signage requirements following a review and favorable recommendation by the Planning Board affirming that proposed signage adequately conforms to the CHC Overlay District's design guidelines and would bear minimal impacts to surrounding residentially-zoned areas, in its determination.

5. **By amending § 5.21 – Exceptions to Maximum Floor Area Ratio Regulations (Public Benefits Incentives) – by adding the following language at the end of § 5.21.1 as follows:**

   "Exceptions allowed under this section shall not be applicable to special permits under § 5.06.4.q – Chestnut Hill Overlay District."

6. **By amending § 5.32 – Exceptions to Maximum Height Regulations (Public Benefits Incentives) – by adding the following language at the end of § 5.32.1 as follows:**

   "Exceptions allowed under this section shall not be applicable to special permits under § 5.06.4.q – Chestnut Hill Overlay District."

7. **By amending § 5.43 – Exceptions to Yard and Setback Regulations - by inserting language as underlined below, and deleting language shown in strikeout below.**

   Under a special permit after a hearing of the Board of Appeals may permit, in lieu of the requirements for yards or setbacks specified in this By-law, the substitution of such other dimensional requirements as shall assure the same standard of amenity to nearby properties as would have been provided by compliance with the regulations of the By-law, as measured by off-setting a reduction in the depth or area of a required yard or setback by an increase in the depth or area of another yard or setback or by the provision or preservation of a condition or a facility not otherwise required that will counterbalance such a reduction; provided, however, that under this section the Board of Appeals shall not:

   1. reduce the depth of a required front yard below 15 feet in M Districts; nor

   2. increase the maximum Building Depth, as defined in Sec. 5.93, in T-5(NH) Districts~~.~~; nor

   3. apply exceptions to special permits under § 5.06.4.q – Chestnut Hill Overlay District.

… or act upon anything else relative thereto.

PETITIONER'S ARTICLE DESCRIPTION:

This article proposes to amend the Zoning By-Law by establishing a **Chestnut Hill Commercial (CHC) Overlay District** for portions of the Boylston Street corridor in the Chestnut Hill Commercial Area. The proposed overlay zoning is intended to establish a clear planning framework and vision for the area to ensure that future redevelopment in the Chestnut Hill Commercial Area strengthens the Town's commercial tax base and enhances the area's vitality.

Background

The proposed overlay zoning is informed by the Chestnut Hill Commercial Area Study, a staff-led planning initiative launched in 2024 by the Department of Planning and Community Development's Economic Development and Long-Term Planning Division. The study is rooted in the 2005 Comprehensive Plan's recommendations to develop a district plan for the Chestnut Hill Commercial Area, as well as zoning amendments allowing mixed-use development to support the expansion of the commercial tax base and affordable housing along Boylston Street in Chestnut Hill.

The Chestnut Hill Commercial Area Study's core objectives were to incentivize significant net new commercial tax growth, and to enhance the livability and identity of the commercial area.

Net new tax growth is critically needed in Brookline to help reduce the tax burden for existing residents, offset future tax increases, and fund municipal services. Since commercial properties generate more tax revenue per square foot, pay higher taxes, and typically require fewer municipal services than residential properties, focusing on opportunities to increase commercial development was a particular focus of the study. The potential to generate net new tax growth in the Chestnut Hill Commercial Area is constrained by existing zoning, which does not adequately support economically viable redevelopment—particularly for projects that would expand commercial uses.

Study work was informed by the Chestnut Hill Commercial Area Study Community Advisory Group, the Economic Development Advisory Board's Chestnut Hill Commercial Area Study Ad-Hoc Subcommittee, and a series of public engagement opportunities, including more than 40 public meetings.

The study evaluated the feasibility of different policy recommendations, redevelopment scenarios, and infrastructure improvements aimed at improving the appearance, function, connectivity, and safety of the corridor, and identified strategies related to zoning, infrastructure improvements, and commercial area vibrancy intended to:

- Encourage mixed-use redevelopment;
- Increase commercial activity and tax revenue;
- Create a walkable commercial district;
- Support housing and transit-oriented development, and
- Ensure high-quality urban design and public spaces.

All of these objectives are integrated into the proposed overlay zoning policy and accompanying design guidelines for the Chestnut Hill Commercial Overlay District.

Chestnut Hill Commercial (CHC) Overlay Zoning Structure

The proposed overlay would establish an alternative zoning framework that property owners could choose to utilize instead of the underlying zoning. No changes to the existing base zoning are proposed, so development could continue under existing zoning regulations if the overlay is not used.

The overlay district is organized into four subdistricts, which are described below. The requirements for each subdistrict are tailored to different community priorities, surrounding context site conditions, and redevelopment potential within the study area.

CHC-4 Subdistrict

This subdistrict is intended for larger sites capable of accommodating mixed-use redevelopment with significant commercial activity and potential economic development impact. Other characteristics of the CHC-4 Subdistrict include:

- A minimum required amount of commercial square footage
- Height up to 150 ft (12 stories maximum); 175 ft (14 stories maximum) when utilizing bonus height for additional commercial use
- A Maximum Floor Area Ratio (FAR) of 4.0
- Significant landscaped open space and tree canopy requirements
- Campus-style sites featuring large, activated, publicly accessible open space intended to create attractive and comfortable gathering spaces lined and activated by ground floor retail

CHC-3 Subdistrict

This subdistrict is as a transition area between the larger redevelopment sites and the lower-scale eastern part of the study area. Like the CHC-4 Subdistrict, projects in the CHC-3 Subdistrict are also subject to a minimum commercial requirement. Other key CHC-3 Subdistrict characteristics:

- A maximum height of 88 ft (7 stories maximum)
- A Floor Area Ratio FAR of 3.0 with a 4.0 FAR bonus if parking located mostly underground

Neighborhood Mixed-Use (CHC-NMU)

This residential-focused subdistrict supports neighborhood-scale mixed-use development with ground-floor commercial uses along key stretches of Boylston Street and Hammond Street. Other key CHC-NMU Subdistrict characteristics:

- A maximum height up to 50 ft (4 stories maximum)
- A bonus height of up to 75 ft (6 stories maximum) for hotels, or for projects that provide at least 50% affordable housing units, creating an incentive for the production of affordable housing

Transit-Oriented Mixed-Use (CHC-TOM)

This subdistrict, located approximately 1,000 feet – less than a 5-minute walk - from the Chestnut Hill MBTA Green Line stop, supports a mix of residential and commercial uses appropriate for locations with convenient access to transit. Other key CHC-TOM Subdistrict characteristics:

- A maximum height up to 88 ft (7 stories maximum)
- Lower parking requirements
- Higher bike parking requirements
- Required open space for at least 10% of a project's lot area

Design Review Procedures and Design Guidelines

Projects seeking to utilize the overlay zoning would be subject to Special Permit review under Zoning By-Law Section 5.09 Design Review, which requires the Zoning Board of Appeals, with input from the Planning Board, to review the design, uses, and impacts of proposed developments. Pending final adoption from the Planning Board, the Chestnut Hill Commercial Area Design Guidelines & Standards will inform the Planning Board's review of projects proposed under the CHC Overlay. These design guidelines, created by consultant Sasaki and developed through the Chestnut Hill Commercial Area Study work as a companion to the overlay zoning, provide detailed design direction, visual interpretation, and public realm strategies to ensure redevelopment under the CHC Overlay produces a cohesive, walkable, and high-quality mixed-use district.

Overall, the purpose of the overlay is to provide a clear and predictable zoning framework that supports economic development, encourages mixed-use redevelopment, improves the public realm, and ensures that future development is carefully reviewed through the Town's existing Design Review and Special Permit procedures.

Strategies for Incentivizing Commercial Tax Growth

For the two commercial-oriented subdistricts, the CHC-3 and CHC-4, the overlay requires that at least 51 percent of a project's gross floor area be devoted to commercial uses. This minimum commercial requirement is a new zoning policy tool for the Town intended to ensure that redevelopment within the district contributes to Brookline's long-term goal of expanding its commercial tax base.

The zoning also includes provisions that encourage certain types of commercial uses with higher tax generation potential, such as hotels, medical offices, and research and development labs, by assigning them additional weight in calculating a project's commercial gross floor area. Ground floor commercial uses, such as retail and restaurants, are also incentivized. This approach is intended to promote commercial uses with greater economic development impact and support active ground floor uses that align with the needs of neighboring residents and contribute to the vitality of the district.

Additionally, ground floor commercial space is required along key streets, helping to maintain active, pedestrian-oriented streetscapes and reinforce the corridor's role as a commercial destination.

These commercial use requirements combined with adequate dimensional standards, particularly greater height and density allowances, and an expanded scope of allowed uses, especially the potential

for more residential use, seek to maximize the commercial components of mixed-use redevelopment. The potential for additional residential density throughout the overlay district will be critical to support vibrant ground floor retail and 24-hour activation of the Chestnut Hill Commercial Area.

City Realty's Redevelopment Proposal for the Chestnut Hill Office Park

In parallel with this study process, City Realty, the owner of the Chestnut Hill Office Park, located at 1280-1330 Boylston Street in the proposed CHC-4 Subdistrict, has put forward a redevelopment proposal under the proposed CHC Overlay zoning. This uniquely large 5.3-acre property bordering the City of Newton is the largest redevelopment site along Boylston Street and the Town of Brookline's primary economic development opportunity.

City Realty's proposal, which evolved over time to align with the overlay zoning requirements, contains three buildings: a 14-story building with retail, parking, hotel and condos; a 12-story building with retail, parking, and medical offices; and a 7-story building with rental apartments and parking. A large plaza for gathering, outdoor seating, and other public benefits is proposed between the 14-story and 12-story buildings.

The proposal's 420,000 square feet of commercial space includes a 200-room hotel, event and conference space, medical office, and retail uses. Their proposal also includes 246 residential units. To meet the Town's Zoning By-Law Affordable Housing Requirements under Section 4.08, which will apply to all projects proposed under the CHC Overlay, City Realty will provide 21 on-site affordable rental units, and make a $10.93 million cash-in-lieu payment to the Town's Affordable Housing Trust for the luxury condo component of their proposal.

Upon project completion, this development is anticipated to have an estimated fiscal impact (i.e. total projected tax revenue less the cost of municipal services associated with that development) of $5.3 million to $7.4 million per year. The anticipated net new tax growth (i.e. estimated fiscal impact less approximately $1.1 million in annual property tax currently generated by 1280-1330 Boylston Street) is estimated to be $4.2 million to $6.3 million per year.

Companion Warrant Article

In addition to these anticipated tax generation benefits, the Select Board has negotiated a package of additional benefits and protections to the Town in the form of a Tax Certainty Agreement and a Memorandum of Agreement.

The Tax Certainty Agreement is a 95-year legally binding agreement between the Town and any owner of the Chestnut Hill Office Park. In the event that any part of the Chestnut Hill Office Park is ever sold to a tax-exempt nonprofit, such as a hospital or a higher education institution, the Tax Certainty Agreement will protect the property's continued contribution to the Town's tax base, as well as the excise taxes that will be generated by the proposed hotel.

The Memorandum of Agreement is a legally binding agreement that outlines a broad range of requirements for the landowner mitigating the impacts of new development and securing benefits to the public.

An additional Warrant Article was filed that, if passed, would authorize the Select Board to enter into these Memorandum of Agreement and Tax Certainty Agreement, which are contingent upon Town Meeting voting in favor of the Chestnut Hill Commercial Overlay District article and the Attorney General's approval.

FAQs

An FAQs document addressing questions raised during the warrant article review process will be available on the Chestnut Hill Commercial Area Study project page: https://www.brooklinema.gov/3716/Chestnut-Hill-Commercial-Area-Study.

ARTICLE 2

___ ARTICLE

Submitted by: Select Board

To see if the Town will authorize the Select Board to enter into any necessary agreement(s) and/or amendments to existing agreements or other action(s) required to carry out the terms and conditions set forth in that certain Memorandum of Agreement and related Tax Certainty Agreement, between the Town of Brookline (hereinafter referred to as the "Town") and Fred Starikov, Trustee of the 1296 Boylston Brookline Trust, City Realty Group, and related entities, their successors and assigns (hereinafter collectively referred to as "CITY"). CITY owns or controls the parcels of land commonly referred to as 1280, 1290, 1300 and 1330 Boylston Street in Brookline, Massachusetts (said properties being collectively referred to herein as the "Site" or the "Property"), as further described in the legal descriptions below, and all in connection with a proposed mixed-use development including: a full service hotel with branded amenitized condominium units and ground floor retail space (the "Hotel & Condo Building"), a medical office building with retail space (the "Medical Office Building"), and a residential building (the "Residential Building") which may include both above and below grade structured parking (hereinafter collectively referred to as the "Mixed Use Project"); as further described below, said Memorandum of Agreement to include the following terms at a minimum:

1) requiring CITY to not file applications for comprehensive permits pursuant to MGL c. 40B for any portion of the Site, provided the Town proceeds with the Proposed Zoning Amendment and related Articles for consideration at the May 2026 Annual Town Meeting and any concurrent Special Town Meetings;

2) providing twenty-one (21) affordable residential units on-site in the Residential Building, with such units to be affordable for households with incomes not exceeding 50% of Area Median Income, and eligible for inclusion on EOHLC's Subsidized Housing Inventory through the Local Initiative Program (LIP) as local action units;

3) making a cash payment to the Town's Affordable Housing Trust Fund in the amount of $10.93 Million in lieu of the requirement of providing 15% on-site affordable units in the Hotel & Condo Building, as permitted by Section 4.08(6)(c) of the Zoning By-Law;

4) requiring CITY to not object to certain conditions of the Special Permits and/or Site Plan Approvals related to the Mixed Use Project, including:

a) all buildings shall be fossil fuel free and meet the Town of Brookline sustainability requirements or the State requirements, whichever is greater;

b) there shall be no vehicular access to the Site to or from Heath Street with the exception of emergency vehicles;

c) there shall be at least two pedestrian access points through the site from Heath Street to Boylston Street;

d) the duration of overnight occupancy of hotel rooms to individual hotel patrons shall not exceed ninety (90) consecutive days;

e) for the Residential Building, parking fees must be separate (unbundled) from any rental, lease, sale, employment, contract, or other arrangement;

f) all illuminated exterior signage shall be designed and installed with the ability to be automatically dimmed after midnight;

g) compliance with the Town's Transportation Demand Management Policy, including submission of a TDM plan and a 5-year annual monitoring and reporting program;

h) a Certificate of Occupancy for the Residential Building shall not be issued until the Hotel & Condo Building is deemed weather-tight by the Building Commissioner;

i) installation of two (2) publicly accessible, short-term parking Level 3 or higher EV chargers on the Site;

5) requiring CITY to devote 2% of the hard construction cost of constructing the Project (including any building, garage, site work, above ground or underground structures, but exclusive of tenant fit-up) to advance the planning, designing, or implementation of offsite pedestrian, bicycle, streetscape, or vehicular infrastructure improvements within a quarter mile of the CHC Overlay District or public safety improvements, including but not limited to a BlueBikes station, multi-modal safety improvements, streetscape improvements, and public safety apparatus and equipment;

6) requiring CITY to fund the installation of a Chestnut Hill Commercial Area gateway public art installation, with an additional one-time payment of $20,000 to the Town as a contribution to the maintenance of the public art;

7) requiring CITY to mitigate construction impacts to public sidewalks, street curbs, street pavement, trees and landscaping, currently estimated at a value of $400,000, with the approval of and in coordination with the Town's Department of Public Works;

8) requiring CITY and the Town to enter into a Maintenance Agreement for the upkeep of Town-owned property adjacent to the Site and extending to the curb-line;

9) requiring CITY to make conference room/meeting space in the Hotel & Condo Building available to neighborhood or Town groups twice a year, free of charge;

10) establishing a Minimum Commercial Use Requirement with penalty provisions, including quarterly penalty payments in the event of a delay in construction of the Medical Office Building exceeding five (5) years from the date of the Certificate of Occupancy for the Residential Building;

11) providing a 95-year Tax Certainty Agreement on the Site which shall be a restrictive covenant and shall preserve the expected tax revenue from both real estate taxes and from applicable hotel excise taxes;

12) requiring that the agreement(s) be recorded in the chain of title; and upon any further terms and conditions that the Board deems in the best interest of the Town with respect to the proposed development of the said Site; and

13) other terms and conditions that the Select Board deems in the best interest of the Town.

The legal descriptions of the parcels for the Site are set forth in Exhibit B to the Memorandum of Agreement, copies of which shall be available at the Select Board's Office and on file with the Town Clerk.

OR ACT ON ANYTHING RELATIVE THERETO.

PETITIONER'S ARTICLE DESCRIPTION

This Article, if approved, will authorize the Select Board to enter into and/or amend as necessary any new or existing agreements so that the Town receives the full benefits and protections as set forth in the Memorandum of Agreement and Tax Certainty Agreement pertaining to the proposed mixed-use development at the site described as 1280, 1290, 1300 and 1330 Boylston Street in Brookline.

A draft of the Memorandum of Agreement and draft exhibits follows. While the exact language is still being negotiated, the agreed-to terms are summarized in the article and reflected in the following draft.

Reading the longer explanation for the related Chestnut Hill Commercial Area Overlay District Zoning Article will be helpful to understand how this article works in concert with other related articles.

It is the intention of the Select Board to have the agreement executed far enough in advance of Town Meeting so as to allow Town Meeting Members to review its terms prior to voting on the series of warrant articles related to this site. Copies of said Memorandum of Agreement and Tax Certainty Agreement will be available at the Select Board's Office.

VOTED: To execute the Warrant for the May 26, 2026 Special Town Meeting.

MEMORANDUM OF AGREEMENT
BY AND BETWEEN
THE TOWN OF BROOKLINE AND FRED STARIKOV, TRUSTEE OF THE 1296 BOYLSTON BROOKLINE TRUST

This Memorandum of Agreement between Fred Starikov, trustee of the 1296 Boylston Brookline Trust, with a principal place of business at City Realty Group, 500 Lincoln Street, Allston, Massachusetts 02134, their successors and assigns ("hereinafter collectively referred to as "CITY") and the Town of Brookline, a municipal corporation ("Town"), located in Norfolk County, Massachusetts and acting by and through its Select Board (the "Board"), (collectively referred to as the "Parties") is made and entered into this ___ day of _____, 2026, upon the mutual promises and obligations hereinafter set forth and additional consideration which the parties acknowledge is adequate and appropriate, upon the following terms and conditions:

WHEREAS, the Town's Office of Planning and Community Development ("the Planning Department") intends to submit a zoning by-law amendment (the "Proposed Zoning Amendment") for consideration at a Special Town Meeting to be called within and concurrent to the Annual Town Meeting commencing May 26, 2026, which would, if passed, create an overlay district (the "CHC Overlay District");

WHEREAS, CITY seeks to construct a mixed use project in compliance with the Proposed Zoning Amendment, which is currently proposed to include a full service hotel with branded amenitized condominium units and ground floor retail space (the "Hotel & Condo Building"), a medical office building with retail space (the "Medical Office Building") and a residential building (the "Residential Building") which may include both above and below grade structured parking (hereinafter collectively referred to as the "Mixed Use Project" or "Project"), a summary of the proposed Mixed Use Project and associated concept site plan, to be further refined through the Special Permit, Design Advisory Team, and site plan review process, are attached hereto as Exhibit A;

WHEREAS, the proposed location for the Mixed Use Project is made up of four parcels located at 1280, 1290, 1300 and 1330 Boylston Street in Brookline, Massachusetts all as more particularly described in the legal descriptions contained in Exhibit B, attached hereto and incorporated herein by reference (collectively referred to as the "Property" or the "Site" unless otherwise indicated) and all located within the CHC Overlay District;

WHEREAS, the Parties agree that the Mixed Use Project will benefit the Town in many ways including but not limited to: providing twenty-one (21) affordable units on-site in the Residential Building; a cash-payment in the amount of $10.93 Million in lieu of the requirement of providing 15% on-site affordable units in the Hotel & Condo Building as further described below, made payable to the Affordable Housing Trust Fund; a 95-year Tax Certainty Agreement; improvements to the public realm including

infrastructure improvements and landscaping and pedestrian connections through the Site from Heath Street to Boylston Street, increased open and green space, improved pedestrian and bicycle amenities and improved design and aesthetics;

WHEREAS, in recognition of the intent and spirit of the vision of the Planning Department as expressed in the Proposed Zoning Amendment and the adopted Chestnut Hill Commercial Area Design Guidelines & Standards, CITY has expressed its commitment to work with the Town to provide a project with buildings of high quality architecture, urban and sustainable design;

WHEREAS, the Parties agree that the Mixed Use Project is beneficial to the Chestnut Hill Ccommercial ~~area~~ Area and Town, but will also have impacts on the Town; accordingly, if CITY proceeds with the Mixed Use Project, CITY agrees to take steps to mitigate the impacts of the Mixed Use Project on the Town as hereinafter set forth;

WHEREAS, the impacts on the Town from the Mixed Use Project will include additional demands on the Town's public safety infrastructure which the Town fully intends to address in part by the purchase and outfitting of a new ladder truck; and CITY intends to assist in the mitigation of those demands by making a contribution, calculated as a percentage of the hard construction costs of the project, which the Parties agree may be partly utilized for said ladder truck;

WHEREAS, the provisions of this Agreement are available for consideration by the Planning Board and the Board of Appeals in reviewing any application for a special permit(s) for the Mixed Use Project, and in the context of any site plan review sought for the Mixed Use Project;

WHEREAS, the Parties wish to enter into this Agreement to memorialize their mutual understandings and obligations with respect to the Mixed Use Project and those certain permits and approvals required for the Mixed Use Project, as well as any other agreements between CITY and the Town pertaining to the Mixed Use Project, including a 95-year Tax Certainty Agreement, all on the terms and conditions hereinafter set forth;

WHEREAS, the Parties contemplate entering into such further binding agreements as reasonably appropriate and approved by both Parties to proceed with the Mixed Use Project and to satisfy the mutual obligations contained herein;

WHEREAS, the Parties have discussed the terms and conditions to be included in this Agreement in connection with the Mixed Use Project and in order to mitigate impacts upon the Town;

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NOW THEREFORE, in consideration of the promises and mutual obligations of the Parties hereto and upon good and valuable consideration the receipt and sufficiency of which the Parties acknowledge, each of them does hereby covenant and agree as follows:

1. All references herein to the following terms shall have the meanings hereinafter set forth:

    a) All references to the "Proposed Zoning Amendment" shall be construed as a reference to the text of a Warrant Article prepared for the Town Meeting commencing May 26, 2026, or any Special Town Meetings held concurrently, a copy of which is attached hereto as Exhibit C, as such text may be amended at any such Town Meeting, provided that such amendments (hereinafter referred to as "Amendment(s)" do not impose burdens on the Mixed Use Project which are materially adverse to the financial feasibility of the Project in the reasonable judgement of CITY (which may include construction or operation costs). The Proposed Zoning Amendment as presented in the Reports of the Select Board and Advisory Committee for the contemplated Special Town Meeting, along with any Amendments thereto prepared by the Select Board, Planning Board, or Advisory Committee submitted with the Combined Reports for the relevant Special Town Meeting will be considered not to be materially adverse to the financial feasibility of the Project, unless CITY has indicated such in writing within 7 days of the Combined Reports being posted to the Town website or prior to the commencement of the night of Town Meeting where the Proposed Zoning Amendment and any Amendment(s) in the Combined Reports are to be considered, whichever is earlier. Any other Amendments proposed to the Proposed Zoning Amendment, presented in Supplements to the Combined Reports after the original Combined Reports are posted to the Town website or otherwise (for example, on the floor of Town Meeting), shall be considered materially adverse to the financial feasibility of the Project unless CITY has indicated that is not the case in writing. If any such Amendment/s to the Proposed Zoning Amendment as passed do impose burdens on the Mixed Use Project which are materially adverse to the financial feasibility, as that term is defined in this section, of the Project and as a result CITY decides in its sole discretion not to proceed with the Mixed Use Project or that the Amendment/s prohibits CITY from proceeding with the Mixed Use Project as proposed, then CITY shall so notify the Town in writing, and in such case this Agreement shall become null and void and of no force and effect. It shall be the Town's responsibility to provide the relevant Combined Reports and all Amendment(s) to City in a timely manner so as to facilitate City's ability to review any Amendment regardless of when and how it is filed with Town Meeting for consideration.

    b) All references to the "Town Meeting Approval Conditions" shall be construed as references to: (i) approval by the May 2026 Town Meeting or any

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concurrent Special Town Meetings and the Attorney General of the Proposed Zoning Amendment; (ii) authorization by Town Meeting of the acceptance of the 95-year Tax Certainty Agreement attached hereto as Exhibit D; (iii) authorization by Town Meeting for the Select Board to execute this Agreement and any other documents or agreements necessary or appropriate for implementation of the proposed Mixed Use Project; (iv) written confirmation from CITY to the Town that the Proposed Zoning Amendment, to the extent it has been modified from the form it was passed by Town Meeting, such as in the course of review by the Attorney General, will allow it to proceed with the Mixed Use Project as currently contemplated including as modified with CITY's approval, and in each case with challenge periods to all such Town Meeting actions having passed (which, in the case of the Proposed Zoning Amendment, shall be the challenge period under G.L. c. 40, Secs. 32 and 32A) with no challenges by unrelated third parties pending or, if any of such actions is/are challenged, the same having been finally disposed of in a manner favorable to the Town Meeting action, not later than June 1, 2030.

c) All references to the "Special Permit and Other Required Approvals" shall be construed as references to such other special permits, variances, licenses and/or other approvals, including but not limited to any additional special permits under the existing Zoning By-Law and Proposed Zoning Amendment, including building permits and final Certificates of Occupancy, which are necessary, in CITY's reasonable determination, to allow for the construction and operation of the Mixed Use Project such that a majority of the ground floor area of each of the Medical Office, Residential and Hotel & Condo Buildings are open and operating, with all the appeal periods having passed, with no appeals pending or, if any such permit or approval is appealed, the same having been finally disposed of favorably to CITY not later than two (2) years from the date of issuance of the permit or approval which is the subject of the appeal.

d) All references to the "Permitted Buildings" shall be construed as references to the buildings that are permitted to be built by any Special Permit and Other Required Approvals, regardless of any changes to the Project resulting from conditions associated with such Special Permit and Other Required Approvals.

2. Unless this Agreement has been terminated, CITY agrees to not file applications for comprehensive permits pursuant to MGL c. 40B for any portion of the Site. In the event the Town does not proceed to file the Proposed Zoning Amendment and related Articles for consideration at the May 2026 Annual or any concurrent Special Town Meetings or in the event the Zoning does not pass so the Mixed Use Project may proceed, as determined by City with the written notices described above in either Section 1(a) or 1(b), then CITY may, in its discretion, submit an application(s) for Comprehensive Permit(s). In the event the Town adopts a

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General By-Law, Zoning By-Law, or other rule or regulation which would in CITY's reasonable judgement prevent CITY from proceeding with the Mixed Use Project as proposed and described herein, then notwithstanding the above CITY may in its discretion file an application(s) for comprehensive permits pursuant to MGL c. 40B for any portion of the Site.

3. Upon satisfaction of the Town Meeting Approval Conditions, i) CITY shall immediately record this Agreement with the Norfolk Registry of Deeds and/or Norfolk Registry District of the Land Court, as appropriate and at its own expense and shall provide evidence of such recording to Town Counsel; and ii) CITY and the Town shall execute the 95-year Tax Certainty Agreement and CITY shall deliver the same to Town Counsel or a mutually agreed upon escrow agent to be held in escrow pursuant to mutually agreed upon conditions under the provisions of this Agreement (the "Escrow Agent"). In the event the Town Meeting Approval Conditions are not satisfied by June 1, 2030, this Agreement and the obligations set forth in the 95-year Tax Certainty Agreements shall become null and void and of no force and effect.

4. Upon satisfaction of the Town Meeting Approval Conditions, CITY agrees to use best efforts to diligently apply for all permits and approvals necessary to proceed with the Mixed Use Project subject to financing and economic conditions.

5. In the event that the Special Permit and Other Required Approvals are satisfied for a building on the Site (presumably, the Hotel & Condo Building, as CITY intends to complete it first), CITY shall deliver notice thereof to Town Counsel or the Escrow Agent, as the case may be, who shall thereafter record with Norfolk Registry of Deeds and/or the Norfolk Registry District of the Land Court, as appropriate, the 95-year Tax Certainty Agreement for the entire Site. In the event that no Special Permit and Other Required Approvals for any building are satisfied, and CITY does not proceed with the Mixed Use Project, CITY or the Town may deliver notice to the Escrow Agent who shall thereafter immediately return the original copy or copies of the Tax Certainty Agreement as the case may be and simultaneously notify the Town that such original/s was/were returned to CITY. In such case where the Tax Certainty Agreement is returned to CITY, all obligations set forth in the Tax Certainty Agreement shall become null and void and of no force and effect. Any future application for any project on this property that utilizes the CHC Overlay District created by the Proposed Zoning Amendment will require the execution of a Tax Certainty Agreement in substantially similar form to be placed in escrow and then recorded for the entire Site upon the issuance of a Special Permit and Other Required Approvals for any project on the Site that has utilized the Proposed Zoning Amendment.

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6. Voluntary Special Permit Conditions: CITY hereby acknowledges that the following conditions of the Special Permits, site plan review, or both for the Mixed Use Project shall be acceptable to CITY and shall not be grounds for objection to the Special Permits granted by the Brookline Zoning Board of Appeals ("Board of Appeals") or the site plan review granted by the requisite public body:

   a) The Project shall be construed as reference to the mixed-use development proposal currently anticipated to include three buildings: Building A which includes no more than 204 hotel rooms, 126 condominium units and 25,000 SF of retail, Building B which includes no more than 156,000 SF of medical office and 32,000 SF of retail and Building C, which includes no more than 140 residential apartments, which is depicted in more detail in Exhibit A and B, incorporated herein, as such plan may be modified during the site plan and design review process and the special permit process.

   b) The approved Special Permit plans are titled _____, and dated _____. Related to these plans, the following restrictions are noted:

      i. All buildings shall be fossil fuel free and meet the Town of Brookline sustainability requirements or the State requirements, whichever is greater, at the time CITY applies for the building permit(s) for each respective phase of the Project.

      ii. There shall be no vehicular access to the Site to or from Heath Street with the exception of emergency vehicles.

      iii. There shall be at least two pedestrian access points through the site from Heath Street to Boylston Street.

      iv. The duration of overnight occupancy of the hotel rooms to individual hotel patrons shall not exceed ninety (90) consecutive days as to each hotel room.

      v. For the Residential Building, parking fees must be separate (unbundled) from any rental, lease, sale, employment, contract, or other arrangement that permits a user to occupy the building.

   c) CITY shall make a payment to the Town's Housing Trust Fund of $10.93 Million dollars, as permitted by Section 4.08(6)(c). If the Mixed Use Project receives its first temporary or permanent Certificate of Occupancy for the Hotel/Condo building more than five years after the Town Meeting Approval Conditions have been met or after October 1, 2031, whichever is later, then this value shall be updated by the Housing Advisory Board using the same methodology as documented and agreed to at their meeting on December 3, 2025. The Cash Payment for the Hotel~~/~~ & Condo Building and

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the fifteen percent (15%) on-site units affordable for households with incomes not exceeding 50% Area Median Income in the Residential Building are intended to serve as full compliance with the affordable housing requirements relating to Section 4.08(7)(c) of the Zoning Bylaw, subject to all remaining requirements of Section 4.08 of the Zoning Bylaw including approval by the Board of Appeals, and be eligible for inclusion on EOHLC's Subsidized Housing Inventory through the Local Initiative Program (LIP) as local action units. A legal instrument shall be provided to secure the provision of on-site units and cash payments prior to the issuance of a building permit. The legal instrument shall be subject to the following buy-out schedule for the Hotel & ~~/~~Condo Building:

A payment will be made upon the closing sale of each condominium that equals to $10.93M times the undivided percentage interest of the condominium association associated with the condominium. For example, if the condominium owns 0.5% of the undivided percentage interest, then the payment upon sale of the condominium would be $54,650. Any condominium with an undivided percentage interest that is not sold by 3 years following the issuance of a Certificate of Occupancy for the Hotel & ~~/~~Condo Building (or any Temporary Certificate of Occupancy for same) would require payment of that condominium's percentage. At any point after a 10% increment of the condominium units are completed such that a Temporary Certificate of Occupancy is sought, there shall be verification by the Director of Planning & Community Development that cash payments due from any previously issued TCOs have been fully paid before any additional TCO can be obtained. No final Certificate of Occupancy for the residential units shall be issued until the Director of Planning & Community Development verifies that all cash payments due have been paid.

d) All illuminated exterior signage shall be designed and installed with the ability to be automatically dimmed after midnight.

e) To ensure compliance with the Town's Transportation Demand Management Policy, the Owner(s) of the Site or any portion thereof shall be subject to traffic monitoring and annual reporting to the Town of Brookline, including the following features: (i) No later than thirty (30) days prior to the anticipated issuance of a building permit for the Project, a TDM plan shall be submitted to the Town, for review and approval by the Director of Engineering & Transportation and the Planning and Community

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Development Director (or designee); (ii) In connection with preparation of the TDM plan, CITY shall provide information as to its existing policies relating to employee transportation then in effect, and the mode use resulting from such existing policies; (iii) in connection with preparation of the TDM plan, CITY shall propose vehicular mode share goals for each user type; (iv) A 5-year annual monitoring and reporting program will commence after receipt of every Certificate of Occupancy for the Permitted Buildings. If the final Certificate of Occupancy for the Mixed Use Project is issued between September 1 and February 29, the monitoring will take place during the months of September or October and a report provided to the Town no later than November 30. If the final Certificate of Occupancy for the Mixed Use Project is issued between March 1 and August 31, monitoring will take place during the months of April or May and be reported to the Town no later than June 30; (v) The monitoring program will be based on traffic counts and employee surveys as to vehicle, transit, pedestrian, and bicycle usage to the Mixed Use Project. The monitoring program will provide detailed information on the travel modes to work and overall transportation characteristics by type of traveler (employee, visitor, etc.). The survey instrument to be used for mode share monitoring will be provided to the Director of Engineering & Transportation for approval prior to conducting the survey. The employee survey (which may be conducted through electronic means) will be sent out to all employees of any and all businesses residing in the Mixed-Use Project, with a goal of securing a 60 percent minimum response rate. A hotel guest/visitor survey shall be conducted during normal business hours, with a goal of securing at least 200 hotel guest/visitor surveys. Notwithstanding the foregoing, any annual monitoring requirements shall apply only to non-residential uses.

f) In the event the employee vehicular mode share is greater than the target vehicular modes in the TDM plan, then the TDM plan shall be modified to incorporate any reasonable requests of the Director of Engineering & Transportation within sixty (60) days after he/she issues his/her determination. Failure to issue such a determination within sixty (60) days of receiving the Annual Report shall be deemed acceptance of the Annual Report and the existing provisions of the TDM plan. If any Owner objects to any new request as being unreasonable or not required, such matter may be presented to the Transportation Board for recommendation to the Board of Appeals for determination, and during such process the applicant will not be considered out of compliance with Section 5.09.3.c.6.d of the Zoning By-law. Following the issuance (or deemed issuance) of the foregoing determination, the Building Department shall use its best efforts

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to issue the annual permit for the Transportation Access Plan Agreement (TAPA) under Section 5.09.3.c.6.d of the Zoning By-law with appropriate due diligence.

g) A Certificate of Occupancy for the Residential Building shall not be issued until the Medical Office Building is deemed weather-tight by the Building Commissioner.

h) CITY will install two (2) publicly accessible, short-term parking Level 3 or higher EV chargers on the site subject to utility company approval, at an estimated cost of $100,000 - $300,000 per charger. A mutually acceptable location of the chargers will be determined during site plan review. CITY will make best efforts to maximize the visibility of the chargers, and to promote their accessibility and location (via signage or otherwise) to drivers on Boylston Street.

i) CITY will mitigate construction impacts to public sidewalks, street curbs, street pavement, trees and landscaping, currently estimated at a value of $400,000. CITY will complete this work with the approval of and in coordination with the Town's Department of Public Works. All work required shall be related specifically to mitigation of the construction for this Mixed Use Project.

j) In support of the Town's goals related to climate action and resiliency, in particular its goal of promoting building material salvage and reuse by adopting policies that require deconstruction, setting diversion targets, and offering permitting incentives to encourage recovery over disposal:

    i. CITY will create and implement a Waste Management Plan utilizing a template recommended by the Town's Sustainability Division, to determine what materials CITY will generate in advance of demolition and identify specific waste diversion opportunities, if any, for those materials, be it through deconstruction, source separation, or mixed C&D recycling, depending on cost and feasibility of such options, if any.

    ii. CITY will share findings and provide feedback to the Town's Sustainability Division with a minimum commitment of two information-sharing discussions about the Waste Management Plan and feasibility of implementation of any options and the process with the Sustainability Division at mutually agreed upon checkpoints before and after demolition.

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iii. CITY will explore sustainable design elements and site features, such as those described in the memorandum attached hereto as Exhibit E. This provision shall not be interpreted as superseding or granting a waiver from any obligation from other provisions of this MOA or any other source including, but not limited to, local, state, and federal regulations, laws, or statutes.

k) Prior to issuance of a Building Permit the Owner/Applicant shall file a landscape plan for review and approval by the Director of Regulatory Planning and Town Tree Warden which shall include a landscape buffer at the Western edge of the Site with densely planted shrubs or trees which are of a type that may be expected to form a year-round dense screen.

7. All Parties to this agreement acknowledge the requirement in the Proposed Zoning Amendment that CITY devote 2% of the hard construction cost of constructing its project (including any building, garage, site work, above ground or underground structures, but exclusive of tenant fit-up) to advance the planning, designing, or implementation of offsite pedestrian, bicycle, streetscape, or vehicular infrastructure improvements (such as, but not limited to, intersection safety improvements, pedestrian-scale lighting, public art not contemplated by Section 8 below, street furniture) on all roadways and sidewalks within a quarter mile of the CHC Overlay District or public safety improvements (collectively, "Mitigation Work"). All Parties agree this contribution is roughly proportional to the cumulative impact the Project will have on the Town's transportation and public safety infrastructure. Potential uses for the contribution include, but are not limited to:

a) A BlueBikes station provided by CITY on the Site or in a location agreed to by the Commissioner of Public Works, with an estimated cost of $65,000 for a 19-dock station with ten bikes, including installation costs;

b) Design costs for multi-modal safety improvements to neighboring streets, including Boylston and Heath Streets, to improve vehicular capacity and reduce traffic impacts by broadening the ability of tenants and visitors to use different modes of transportation to and from the site safely, with the monies covering such costs to be transmitted to the Town at least six (6) months in advance of any special permit application for the Site;

c) Streetscape improvements to address the condition and aesthetics of Chestnut Hill Commercial Area's public realm and transportation infrastructure; and

d) Public safety improvements including apparatus and equipment such as an additional ladder truck and the cost to outfit it.

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8. Within twelve (12) months of receiving the first Certificate of Occupancy for a building within the Project, CITY will fund, in an amount up to $150,000, the installation of a Chestnut Hill Commercial Area gateway public art installation to be located on the Site or in another mutually agreed upon location within the Chestnut Hill Commercial Area. Said installation will by visible from Boylston Street. The Call for Artists process for this public art installation will be executed by the Brookline Commission for the Arts utilizing the process established under the Brookline Art Makes Community (BAMC) public art initiative. Call for Artists' criteria will be developed in partnership with CITY or their designee. Special outreach will be conducted to the Chestnut Hill neighborhood in specifying opportunities for public input on the Call for Artists' criteria. Brookline Commission for the Arts will select at least three finalists from which CITY or their designee will choose the awardee. Concurrent with the payment for the installation, CITY will make an additional one-time payment of $20,000 to the Town, as a contribution to the maintenance of the public art.

9. CITY commits to continued exploration with the Town, other Chestnut Hill property owners, and potentially the Massachusetts Department of Transportation (MassDOT) and Department of Conservation and Recreation (DCR) regarding the potential establishment of a Chestnut Hill Business Improvement District (BID) to provide amenities and services that will ensure the long-term success and vibrancy of the Chestnut Hill Commercial Area. Within two years of filing the special permit application, CITY commits to convene at least one meeting – featuring a presentation from a Business Improvement District (BID) expert, whose consulting services will be paid for by CITY – of Chestnut Hill Commercial Area commercial property owners to initiate a discussion about advancing a BID in Chestnut Hill.

10. No later than the issuance of a Certificate of Occupancy for every Permitted Building, CITY and the Town shall enter into a Maintenance Agreement, in a form approved by the Commissioner of Public Works, for the upkeep of the Town-owned property adjacent to the Site and extending to the curb-line, such as planters, street trees, and snow and leaf removal.

11. To the extent CITY or any future operator of any building on the Site provides a shuttle service for residents, hotel guests, employees, or otherwise, CITY or the future operator will ensure that the public at large can utilize the shuttle for free. The shuttle will stop at the Chestnut Hill Green Line station. Public access to said shuttle must be clearly promoted on the shuttle and any accompanying shuttle promotional materials. Shuttle ridership information shall be shared with the Town on an annual basis, preferably as part of the TDM plan reporting.

12. Subject to reasonable availability of materials and assessment of feasibility, CITY will seek to participate in a low-carbon concrete installation pilot program

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regarding the installation and maintenance of no less than 200 square feet of low-carbon concrete sidewalk, patio, or hardscaping on a mutually agreed upon location. CITY commits to sharing information about installation and wear-and-tear with the Town's Sustainability Division at regular intervals.

13. City agrees to explore options with its consultants and contractors for the use of sustainable materials and geothermal energy for both the construction of the Project and its ultimate use.

14. CITY acknowledges that it will be responsible for funding any costs related to Building Department plan review or inspections for the Project, up to $100,000.

15. The Hotel & Condo Building will have conference room/meeting space, and CITY will make conference room/meeting space available to neighborhood or Town groups twice a year, free of charge, upon requests made with an appropriate amount of lead time.

16. CITY will make a one-time payment of Twenty-Five Thousand Dollars ($25,000) to each of the following Brookline non-profit organizations prior to issuance of the Building Permit:

    i. The Brookline High School Innovation Fund;

    ii. The Brookline Teen Center;

    iii. Martin Trust Early Learners;

    iv. Brookline Community Foundation.

    v. Brookline Community Development Corporation; and

    vi. Brookline Early Education Program

17. CITY acknowledges that it is solely responsible for the items listed below in the subparts to this Section as they relate and are required for this Project, and that it does not expect contribution from the Town other than what is required by law or regulation:

    a) Water and sewer infrastructure costs

    b) MEPA or MassDOT permitting and any related costs necessary for said permitting

    c) Utilities capacity analysis

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18. In the event that any phase of the Project is below the Minimum Commercial Use Requirement for the built space as set forth in the Proposed Zoning Amendment or as may be required in a Project Special Permit or Site Plan Approval, the Owner of the Site (or the Owner of the portion of the site intended to house the majority of the building space that led to the failure to meet the Minimum Commercial Use Requirement) shall pay a penalty as set forth herein:

    a) It is anticipated that the Project will proceed in two phases with the Hotel & Condo Building constructed first followed by the Medical Office Building and Residential Building. CITY intends for the Hotel & Condo Building to meet the Minimum Commercial Use Requirement for built commercial square footage. The Medical Office Building and Residential Building, if constructed simultaneously, will also meet the Minimum Commercial Use Requirement. However, if after the issuance of a Certificate of Occupancy (temporary or final, hereinafter referred to as "CO") for the Residential Building there is a delay in the construction of the Medical Office Building, and such delay causes the Project to fall below the Minimum Commercial Use Requirement, and such delay is more than five (5) years from the date of the CO for the Residential Building, then the Owner of the Site (which shall mean the Owner of majority of the portion of the Site intended to house the Medical Office Building if the Site is no longer under the control of a single entity) shall make payments to the Town to compensate for the unrealized property tax revenue (the "Penalty Payments").

    b) Prior to the issuance of the building permit for the Residential Building or Medical Office Building, the Tax Assessor will estimate the value of the Medical Office Building upon completion (the "Estimated Medical Office Value") and shall provide such estimate to CITY. CITY shall have the right to challenge or otherwise appeal the Estimated Medical Office Value to the Board of Assessors. Any dispute over the Estimated Medical Office Value shall be handled first through non-binding mediation. The Penalty Payments shall be made quarterly to the Town in an amount equivalent to the projected tax payments of the Estimated Medical Office Value in the current year, net of the current required property tax payments attributed to the Medical Office building as commercial space (if partially constructed, for example). The Penalty Payments shall begin on the 5th anniversary of the issuance of the CO for the Residential Building, and shall continue until a CO is issued for commercial space that is sufficient to meet the Minimum Commercial Use Requirement.

    c) In the event that a delay is caused by a Force Majeure event (as defined in Section 18(d) of this Agreement) or a delay in inspections, review, or permit issuance by any relevant state agency or town department, then the start of such Penalty Payments shall be extended by an equivalent

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amount of time, but in no case shall any extension be granted if the delay is related to blasting work related to ledge removal.

19. Undertakings of the Town:

On _____, 2026 the Select Board voted to recommend favorable action on the Proposed Zoning Amendment~~, 95-year Tax Certainty Agreements~~ and a Warrant Article related to the general authorization for this Memorandum of Agreement and the 95-year Tax Certainty Agreement subject to the terms and conditions of this Agreement and shall convey its votes and favorable report to the Advisory Committee and in the Combined Reports (or any supplements thereto) which shall be delivered to all Town Meeting Members. The Select Board shall support and undertake action necessary to obtain the expedited approval of the Attorney General of The Commonwealth of Massachusetts of the Proposed Zoning Amendment by Town Meeting. The Select Board shall also, to the extent appropriate, cooperate with CITY and shall encourage Town staff to cooperate with CITY in reviewing in a timely and expeditious manner any required permits and approvals for the Project. To the extent necessary, the Select Board or its designee shall also file a Warrant Article for consideration at a future Town Meeting in order for the Board to accept the relocation of the existing Sewer Easement.

The Town shall take steps to submit future Warrant Article(s) to relocate existing utility or water sewer easements as needed for the completion of the Mixed Use Project.

20. Miscellaneous:

a) It is the intent of the Parties that the obligations in this Agreement shall run with the land comprising the Mixed Use Project and be binding upon and inure to the benefit and burden of CITY and its mortgage lenders and their heirs, successors and assigns during their respective periods of ownership of and/or interests in the Mixed Use Project and its components and shall survive any transfer of the Property or any portion thereof. CITY agrees to provide a copy of this Agreement to any transferee of the Property or any portion thereof. In the event that CITY sells, transfers or assigns all or a portion of its rights in the Site or the Project, it shall notify the Town of the name, address and other contact information of the successor or assignee no later than thirty (30) days before the closing on the sale or transfer of the Site or any interest therein to the successor or assignee.

b) Each of the Parties signing below hereby represents and warrants that it is authorized to enter into this Agreement and execute the same on behalf of, and to bind legally, such Party.

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c) All notices or requests required or permitted hereunder shall be in writing and addressed, if to the Town as follows:

Select Board
Town of Brookline
333 Washington Street
Brookline, MA 0 2445

with a copy to:

Town Counsel
Office of Town Counsel
333 Washington Street
Brookline, MA 02445

If to CITY addressed as follows:

Fred Starikov, ~~XXX~~1296 Boylston Brookline Trust
City Realty Group
500 Lincoln Street
Alston, MA 02134

And a copy to:

Robert L. Allen, Jr., Esq.
Jennifer Dopazo Gilbert, Esq.
Law Office of Robert L. Allen, LLP
300 Washington Street
Brookline, MA 02445

Each of the Parties shall have the right by notice to the other to designate additional parties to whom copies of notices must be sent, and to designate changes in address. Any notice shall have been deemed duly given if mailed to such address postage prepaid, registered or certified mail, return receipt requested, on the date the same is received or when delivery is refused, or if delivered to such address by hand or by nationally recognized overnight courier service, fees prepaid, when delivery is received or when delivery is refused, or if transmitted by facsimile or other electronic means with confirmatory original by one of the other methods of delivery herein described, on the date so transmitted by facsimile or other electronic means.

d) If and to the extent that either of the Parties is prevented from performing its obligations hereunder by an event of force majeure, such party shall be excused from performing hereunder and shall not be liable in damages or

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otherwise, and the Parties instead shall negotiate in good faith with respect to appropriate modifications to the terms hereof to confer the benefits to each respective party as contemplated by this Agreement. For purposes of this Agreement, the term force majeure shall mean any cause beyond the reasonable control of the affected party, including without limitation: acts of God, fire, earthquake, floods, explosion, actions of the elements, war, terrorism, riots, mob violence, inability to procure or a general shortage of labor, equipment, facilities, materials or supplies in the open market; failure of transportation, strikes, lockouts; actions of labor unions; condemnation, laws or orders of governmental or military authorities, requirement of statute or regulation, action of any court, regulatory authority, or public authority having jurisdiction; or any other cause similar to the foregoing, not within the reasonable control of such party obligated to perform such obligation. With respect to any particular obligation of CITY only, the term force majeure shall include the denial of, refusal to grant or appeals of any permit or approval of any public or quasi-public authority related to Town Meeting Approval Conditions and Special Permit and Other Required Approvals, official, agency or subdivision and any litigation brought by a third party relating to such particular obligation.

e) Failure by CITY to perform any term or provision of this Agreement shall not constitute a default under this Agreement unless and until CITY fails to commence to cure, correct or remedy such failure within sixty (60) days of the receipt of written notice of such failure from the Town to CITY and thereafter fails to complete such cure, correction or remedy within ninety (90) days of receipt of such written notice or, with respect to defaults which cannot reasonably be cured, corrected or remedied within such ninety (90) day period, within such additional period of time as is reasonably required to remedy such default, provided CITY exercises due diligence in the remedying of such default and notifies the Town of the steps being taken to remedy the default.

f) The Parties agree that time is of the essence with respect to the obligations of the Parties as set forth herein. Subject to market conditions and financing availability, CITY agrees to use best efforts to diligently apply for the necessary special permits and site plan approvals and then expeditiously as possible after the issuance of the Special Permit(s)/Site Plan Approval(s) for the Mixed Use Project to apply for all necessary building permit(s) and to diligently commence work on the Mixed Use Project subject to the terms herein. The Town agrees to request an expedited determination from the Office of the Attorney General with respect to any Proposed Zoning Amendment.

g) The obligations of CITY do not constitute the personal obligations of CITY's employees, directors or officers and the Town shall not seek recourse against

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any of the foregoing or any of their personal assets for satisfaction of any liability with respect to this Agreement or otherwise. In no event shall CITY be liable for any incidental, indirect, punitive or special or consequential damages.

h) Each Party agrees from time to time, upon not less than ten (10) days' prior written request from the other, to execute and deliver a statement in writing certifying that this Agreement is in full force and effect (or if there have been any modifications, setting them forth in reasonable detail), and that there are no uncured defaults of either Party under this Agreement (or, if not, specifying the respects in which the requesting party is not in compliance in reasonable detail), in form reasonably acceptable to and which may be relied upon by any prospective purchaser, tenant, mortgagee or other party having an interest in the Property and any component of the Mixed Use Project. Upon full performance by CITY of its obligations hereunder, the Town, at CITY's request shall issue a statement in a form appropriate for recording with the Norfolk County Registry of Deeds and filing with the Norfolk Registry District stating that all of the terms of this Agreement have been satisfied.

i) Whenever the consent or approval of any party is required under this Agreement, such consent or approval shall not unreasonably be withheld, delayed or conditioned.

j) This Agreement shall be deemed to have been executed within the Commonwealth of Massachusetts and the rights and obligations of the Parties shall be governed by Massachusetts law. Any action to enforce the terms of this Agreement shall be brought in Norfolk County Superior Court.

k) If any provision of this Agreement or the application of such provision to any person or circumstances shall be determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of the provision to persons or circumstances other than those to which it is held invalid or unenforceable shall not be affected and shall be valid and enforceable to the fullest extent.

l) This Agreement and the accompanying 95-year Tax Certainty Agreement set forth the entire agreement of the Parties with respect to the subject matter thereto. The failure of any party to strictly enforce the provisions hereof shall not be construed as a waiver of any obligation hereunder. This Agreement may be modified only in a written instrument signed by the Select Board and CITY. The Parties do not intend for any third party to be benefited hereby.

m) This Agreement and the accompanying 95-year Tax Certainty Agreement shall be deemed null and void and of no force and effect if Town Meeting Approval Conditions are not met.

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(The Remainder of this Page is Intentionally Left Blank – Signature Pages follow)
IN WITNESS WHEREOF, the parties have executed this Agreement under seal as of the date first written above.

~~CITY~~ 1296 BOYSLTON BROOKLINE TRUST	~~Town of Brookline Select Board~~TOWN OF BROOKLINE, By and through its Select Board
and	
CITY REALTY	
By_____	_____
~~XXXXXXXXXX~~Fred Starikov, Trustee, 1296 Boylston Brookline Trust	_____
and	_____
Managing Partner, City Realty	_____
Dated: _____	Dated: _____

ADD signatory entities for each parcel if different:

XXXXXXXXXXXX LLC

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By_____ Dated:_____
XXXXXXXXXXXXXXX
Duly Authorized on behalf of XXXXXXXXXXXXXXX

XXXXXXXXXXX Trust,

By_____ Dated:_____
Trustee of the
XXXXXXXXXXX Trust

COMMONWEALTH OF MASSACHUSETTS

NORFOLK, ss

I hereby certify that on this _____day of _____, 2026, personally appeared the above named _____, and provided identification in the form of _____, and who executed the foregoing as his free act and deed as _____ of the _____ LLC.

_____
Notary Public
My Commission Expires:

COMMONWEALTH OF MASSACHUSETTS

NORFOLK, ss

I hereby certify that on this _____day of _____, 2026, personally appeared the above named _____, and provided identification in the form of _____, and who executed the foregoing as his free act and deed as _____ of the _____ LLC.

_____
Notary Public
My Commission Expires:

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COMMONWEALTH OF MASSACHUSETTS

NORFOLK, ss

I hereby certify that on this _____day of _____, 2026, personally appeared the above named _____, and provided identification in the form of _____, and who executed the foregoing as his free act and deed as _____ of the _____ LLC.

_____
Notary Public
My Commission Expires:

COMMONWEALTH OF MASSACHUSETTS

NORFOLK, ss

I hereby certify that on this _____day of _____, 2026, personally appeared the above named _____, _____, _____, _____, and _____, personally known to me and who executed the foregoing as their free act and deed as members of the Select Board of the Town of Brookline acting on behalf of the Town of Brookline.

Witness our hands and seals at Norfolk County, Brookline, Massachusetts, this ____ of _____, 2019.

_____
Notary Public
My Commission Expires:

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MEMORANDUM OF AGREEMENT
BY AND BETWEEN
THE TOWN OF BROOKLINE AND FRED STARIKOV, TRUSTEE OF THE 1296 BOYLSTON BROOKLINE TRUST

This Memorandum of Agreement between Fred Starikov, trustee of the 1296 Boylston Brookline Trust, with a principal place of business at City Realty Group, 500 Lincoln Street, Allston, Massachusetts 02134, their successors and assigns ("hereinafter collectively referred to as "CITY") and the Town of Brookline, a municipal corporation ("Town"), located in Norfolk County, Massachusetts and acting by and through its Select Board (the "Board"), (collectively referred to as the "Parties") is made and entered into this ___ day of _____, 2026, upon the mutual promises and obligations hereinafter set forth and additional consideration which the parties acknowledge is adequate and appropriate, upon the following terms and conditions:

WHEREAS, the Town's Office of Planning and Community Development ("the Planning Department") intends to submit a zoning by-law amendment (the "Proposed Zoning Amendment") for consideration at a Special Town Meeting to be called within and concurrent to the Annual Town Meeting commencing May 26, 2026, which would, if passed, create an overlay district (the "CHC Overlay District");

WHEREAS, CITY seeks to construct a mixed use project in compliance with the Proposed Zoning Amendment, which is currently proposed to include a full service hotel with branded amenitized condominium units and ground floor retail space (the "Hotel & Condo Building"), a medical office building with retail space (the "Medical Office Building") and a residential building (the "Residential Building") which may include both above and below grade structured parking (hereinafter collectively referred to as the "Mixed Use Project" or "Project"), a summary of the proposed Mixed Use Project and associated concept site plan, to be further refined through the Special Permit, Design Advisory Team, and site plan review process, are attached hereto as Exhibit A;

WHEREAS, the proposed location for the Mixed Use Project is made up of four parcels located at 1280, 1290, 1300 and 1330 Boylston Street in Brookline, Massachusetts all as more particularly described in the legal descriptions contained in Exhibit B, attached hereto and incorporated herein by reference (collectively referred to as the "Property" or the "Site" unless otherwise indicated) and all located within the CHC Overlay District;

WHEREAS, the Parties agree that the Mixed Use Project will benefit the Town in many ways including but not limited to: providing twenty-one (21) affordable units on-site in the Residential Building; a cash-payment in the amount of $10.93 Million in lieu of the requirement of providing 15% on-site affordable units in the Hotel & Condo Building as further described below, made payable to the Affordable Housing Trust Fund; a 95-year Tax Certainty Agreement; improvements to the public realm including

infrastructure improvements and landscaping and pedestrian connections through the Site from Heath Street to Boylston Street, increased open and green space, improved pedestrian and bicycle amenities and improved design and aesthetics;

WHEREAS, in recognition of the intent and spirit of the vision of the Planning Department as expressed in the Proposed Zoning Amendment and the adopted Chestnut Hill Commercial Area Design Guidelines & Standards, CITY has expressed its commitment to work with the Town to provide a project with buildings of high quality architecture, urban and sustainable design;

WHEREAS, the Parties agree that the Mixed Use Project is beneficial to the Chestnut Hill Commercial Area and Town, but will also have impacts on the Town; accordingly, if CITY proceeds with the Mixed Use Project, CITY agrees to take steps to mitigate the impacts of the Mixed Use Project on the Town as hereinafter set forth;

WHEREAS, the impacts on the Town from the Mixed Use Project will include additional demands on the Town's public safety infrastructure which the Town fully intends to address in part by the purchase and outfitting of a new ladder truck; and CITY intends to assist in the mitigation of those demands by making a contribution, calculated as a percentage of the hard construction costs of the project, which the Parties agree may be partly utilized for said ladder truck;

WHEREAS, the provisions of this Agreement are available for consideration by the Planning Board and the Board of Appeals in reviewing any application for a special permit(s) for the Mixed Use Project, and in the context of any site plan review sought for the Mixed Use Project;

WHEREAS, the Parties wish to enter into this Agreement to memorialize their mutual understandings and obligations with respect to the Mixed Use Project and those certain permits and approvals required for the Mixed Use Project, as well as any other agreements between CITY and the Town pertaining to the Mixed Use Project, including a 95-year Tax Certainty Agreement, all on the terms and conditions hereinafter set forth;

WHEREAS, the Parties contemplate entering into such further binding agreements as reasonably appropriate and approved by both Parties to proceed with the Mixed Use Project and to satisfy the mutual obligations contained herein;

WHEREAS, the Parties have discussed the terms and conditions to be included in this Agreement in connection with the Mixed Use Project and in order to mitigate impacts upon the Town;

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NOW THEREFORE, in consideration of the promises and mutual obligations of the Parties hereto and upon good and valuable consideration the receipt and sufficiency of which the Parties acknowledge, each of them does hereby covenant and agree as follows:

1. All references herein to the following terms shall have the meanings hereinafter set forth:

    a) All references to the "Proposed Zoning Amendment" shall be construed as a reference to the text of a Warrant Article prepared for the Town Meeting commencing May 26, 2026, or any Special Town Meetings held concurrently, a copy of which is attached hereto as Exhibit C, as such text may be amended at any such Town Meeting, provided that such amendments (hereinafter referred to as "Amendment(s)" do not impose burdens on the Mixed Use Project which are materially adverse to the financial feasibility of the Project in the reasonable judgement of CITY (which may include construction or operation costs). The Proposed Zoning Amendment as presented in the Reports of the Select Board and Advisory Committee for the contemplated Special Town Meeting, along with any Amendments thereto prepared by the Select Board, Planning Board, or Advisory Committee submitted with the Combined Reports for the relevant Special Town Meeting will be considered not to be materially adverse to the financial feasibility of the Project, unless CITY has indicated such in writing within 7 days of the Combined Reports being posted to the Town website or prior to the commencement of the night of Town Meeting where the Proposed Zoning Amendment and any Amendment(s) in the Combined Reports are to be considered, whichever is earlier. Any other Amendments proposed to the Proposed Zoning Amendment, presented in Supplements to the Combined Reports after the original Combined Reports are posted to the Town website or otherwise (for example, on the floor of Town Meeting), shall be considered materially adverse to the financial feasibility of the Project unless CITY has indicated that is not the case in writing. If any such Amendment/s to the Proposed Zoning Amendment as passed do impose burdens on the Mixed Use Project which are materially adverse to the financial feasibility, as that term is defined in this section, of the Project and as a result CITY decides in its sole discretion not to proceed with the Mixed Use Project or that the Amendment/s prohibits CITY from proceeding with the Mixed Use Project as proposed, then CITY shall so notify the Town in writing, and in such case this Agreement shall become null and void and of no force and effect. It shall be the Town's responsibility to provide the relevant Combined Reports and all Amendment(s) to City in a timely manner so as to facilitate City's ability to review any Amendment regardless of when and how it is filed with Town Meeting for consideration.

    b) All references to the "Town Meeting Approval Conditions" shall be construed as references to: (i) approval by the May 2026 Town Meeting or any

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concurrent Special Town Meetings and the Attorney General of the Proposed Zoning Amendment; (ii) authorization by Town Meeting of the acceptance of the 95-year Tax Certainty Agreement attached hereto as Exhibit D; (iii) authorization by Town Meeting for the Select Board to execute this Agreement and any other documents or agreements necessary or appropriate for implementation of the proposed Mixed Use Project; (iv) written confirmation from CITY to the Town that the Proposed Zoning Amendment, to the extent it has been modified from the form it was passed by Town Meeting, such as in the course of review by the Attorney General, will allow it to proceed with the Mixed Use Project as currently contemplated including as modified with CITY's approval, and in each case with challenge periods to all such Town Meeting actions having passed (which, in the case of the Proposed Zoning Amendment, shall be the challenge period under G.L. c. 40, Secs. 32 and 32A) with no challenges by unrelated third parties pending or, if any of such actions is/are challenged, the same having been finally disposed of in a manner favorable to the Town Meeting action, not later than June 1, 2030.

c) All references to the "Special Permit and Other Required Approvals" shall be construed as references to such other special permits, variances, licenses and/or other approvals, including but not limited to any additional special permits under the existing Zoning By-Law and Proposed Zoning Amendment, including building permits and final Certificates of Occupancy, which are necessary, in CITY's reasonable determination, to allow for the construction and operation of the Mixed Use Project such that a majority of the ground floor area of each of the Medical Office, Residential and Hotel & Condo Buildings are open and operating, with all the appeal periods having passed, with no appeals pending or, if any such permit or approval is appealed, the same having been finally disposed of favorably to CITY not later than two (2) years from the date of issuance of the permit or approval which is the subject of the appeal.

d) All references to the "Permitted Buildings" shall be construed as references to the buildings that are permitted to be built by any Special Permit and Other Required Approvals, regardless of any changes to the Project resulting from conditions associated with such Special Permit and Other Required Approvals.

2. Unless this Agreement has been terminated, CITY agrees to not file applications for comprehensive permits pursuant to MGL c. 40B for any portion of the Site. In the event the Town does not proceed to file the Proposed Zoning Amendment and related Articles for consideration at the May 2026 Annual or any concurrent Special Town Meetings or in the event the Zoning does not pass so the Mixed Use Project may proceed, as determined by City with the written notices described above in either Section 1(a) or 1(b), then CITY may, in its discretion, submit an application(s) for Comprehensive Permit(s). In the event the Town adopts a

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General By-Law, Zoning By-Law, or other rule or regulation which would in CITY's reasonable judgement prevent CITY from proceeding with the Mixed Use Project as proposed and described herein, then notwithstanding the above CITY may in its discretion file an application(s) for comprehensive permits pursuant to MGL c. 40B for any portion of the Site.

3. Upon satisfaction of the Town Meeting Approval Conditions, i) CITY shall immediately record this Agreement with the Norfolk Registry of Deeds and/or Norfolk Registry District of the Land Court, as appropriate and at its own expense and shall provide evidence of such recording to Town Counsel; and ii) CITY and the Town shall execute the 95-year Tax Certainty Agreement and CITY shall deliver the same to Town Counsel or a mutually agreed upon escrow agent to be held in escrow pursuant to mutually agreed upon conditions under the provisions of this Agreement (the "Escrow Agent"). In the event the Town Meeting Approval Conditions are not satisfied by June 1, 2030, this Agreement and the obligations set forth in the 95-year Tax Certainty Agreements shall become null and void and of no force and effect.

4. Upon satisfaction of the Town Meeting Approval Conditions, CITY agrees to use best efforts to diligently apply for all permits and approvals necessary to proceed with the Mixed Use Project subject to financing and economic conditions.

5. In the event that the Special Permit and Other Required Approvals are satisfied for a building on the Site (presumably, the Hotel & Condo Building, as CITY intends to complete it first), CITY shall deliver notice thereof to Town Counsel or the Escrow Agent, as the case may be, who shall thereafter record with Norfolk Registry of Deeds and/or the Norfolk Registry District of the Land Court, as appropriate, the 95-year Tax Certainty Agreement for the entire Site. In the event that no Special Permit and Other Required Approvals for any building are satisfied, and CITY does not proceed with the Mixed Use Project, CITY or the Town may deliver notice to the Escrow Agent who shall thereafter immediately return the original copy or copies of the Tax Certainty Agreement as the case may be and simultaneously notify the Town that such original/s was/were returned to CITY. In such case where the Tax Certainty Agreement is returned to CITY, all obligations set forth in the Tax Certainty Agreement shall become null and void and of no force and effect. Any future application for any project on this property that utilizes the CHC Overlay District created by the Proposed Zoning Amendment will require the execution of a Tax Certainty Agreement in substantially similar form to be placed in escrow and then recorded for the entire Site upon the issuance of a Special Permit and Other Required Approvals for any project on the Site that has utilized the Proposed Zoning Amendment.

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6. Voluntary Special Permit Conditions: CITY hereby acknowledges that the following conditions of the Special Permits, site plan review, or both for the Mixed Use Project shall be acceptable to CITY and shall not be grounds for objection to the Special Permits granted by the Brookline Zoning Board of Appeals ("Board of Appeals") or the site plan review granted by the requisite public body:

    a) The Project shall be construed as reference to the mixed-use development proposal currently anticipated to include three buildings: Building A which includes no more than 204 hotel rooms, 126 condominium units and 25,000 SF of retail, Building B which includes no more than 156,000 SF of medical office and 32,000 SF of retail and Building C, which includes no more than 140 residential apartments, which is depicted in more detail in Exhibit A and B, incorporated herein, as such plan may be modified during the site plan and design review process and the special permit process.

    b) The approved Special Permit plans are titled _____, and dated _____. Related to these plans, the following restrictions are noted:

        i. All buildings shall be fossil fuel free and meet the Town of Brookline sustainability requirements or the State requirements, whichever is greater, at the time CITY applies for the building permit(s) for each respective phase of the Project.

        ii. There shall be no vehicular access to the Site to or from Heath Street with the exception of emergency vehicles.

        iii. There shall be at least two pedestrian access points through the site from Heath Street to Boylston Street.

        iv. The duration of overnight occupancy of the hotel rooms to individual hotel patrons shall not exceed ninety (90) consecutive days as to each hotel room.

        v. For the Residential Building, parking fees must be separate (unbundled) from any rental, lease, sale, employment, contract, or other arrangement that permits a user to occupy the building.

    c) CITY shall make a payment to the Town's Housing Trust Fund of $10.93 Million dollars, as permitted by Section 4.08(6)(c). If the Mixed Use Project receives its first temporary or permanent Certificate of Occupancy for the Hotel/Condo building more than five years after the Town Meeting Approval Conditions have been met or after October 1, 2031, whichever is later, then this value shall be updated by the Housing Advisory Board using the same methodology as documented and agreed to at their meeting on December 3, 2025. The Cash Payment for the Hotel & Condo Building and

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the fifteen percent (15%) on-site units affordable for households with incomes not exceeding 50% Area Median Income in the Residential Building are intended to serve as full compliance with the affordable housing requirements relating to Section 4.08(7)(c) of the Zoning Bylaw, subject to all remaining requirements of Section 4.08 of the Zoning Bylaw including approval by the Board of Appeals, and be eligible for inclusion on EOHLC's Subsidized Housing Inventory through the Local Initiative Program (LIP) as local action units. A legal instrument shall be provided to secure the provision of on-site units and cash payments prior to the issuance of a building permit. The legal instrument shall be subject to the following buy-out schedule for the Hotel & Condo Building:

> A payment will be made upon the closing sale of each condominium that equals to $10.93M times the undivided percentage interest of the condominium association associated with the condominium. For example, if the condominium owns 0.5% of the undivided percentage interest, then the payment upon sale of the condominium would be $54,650. Any condominium with an undivided percentage interest that is not sold by 3 years following the issuance of a Certificate of Occupancy for the Hotel & Condo Building (or any Temporary Certificate of Occupancy for same) would require payment of that condominium's percentage. At any point after a 10% increment of the condominium units are completed such that a Temporary Certificate of Occupancy is sought, there shall be verification by the Director of Planning & Community Development that cash payments due from any previously issued TCOs have been fully paid before any additional TCO can be obtained. No final Certificate of Occupancy for the residential units shall be issued until the Director of Planning & Community Development verifies that all cash payments due have been paid.

d) All illuminated exterior signage shall be designed and installed with the ability to be automatically dimmed after midnight.

e) To ensure compliance with the Town's Transportation Demand Management Policy, the Owner(s) of the Site or any portion thereof shall be subject to traffic monitoring and annual reporting to the Town of Brookline, including the following features: (i) No later than thirty (30) days prior to the anticipated issuance of a building permit for the Project, a TDM plan shall be submitted to the Town, for review and approval by the Director of Engineering & Transportation and the Planning and Community

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Development Director (or designee); (ii) In connection with preparation of the TDM plan, CITY shall provide information as to its existing policies relating to employee transportation then in effect, and the mode use resulting from such existing policies; (iii) in connection with preparation of the TDM plan, CITY shall propose vehicular mode share goals for each user type; (iv) A 5-year annual monitoring and reporting program will commence after receipt of every Certificate of Occupancy for the Permitted Buildings. If the final Certificate of Occupancy for the Mixed Use Project is issued between September 1 and February 29, the monitoring will take place during the months of September or October and a report provided to the Town no later than November 30. If the final Certificate of Occupancy for the Mixed Use Project is issued between March 1 and August 31, monitoring will take place during the months of April or May and be reported to the Town no later than June 30; (v) The monitoring program will be based on traffic counts and employee surveys as to vehicle, transit, pedestrian, and bicycle usage to the Mixed Use Project. The monitoring program will provide detailed information on the travel modes to work and overall transportation characteristics by type of traveler (employee, visitor, etc.). The survey instrument to be used for mode share monitoring will be provided to the Director of Engineering & Transportation for approval prior to conducting the survey. The employee survey (which may be conducted through electronic means) will be sent out to all employees of any and all businesses residing in the Mixed-Use Project, with a goal of securing a 60 percent minimum response rate. A hotel guest/visitor survey shall be conducted during normal business hours, with a goal of securing at least 200 hotel guest/visitor surveys. Notwithstanding the foregoing, any annual monitoring requirements shall apply only to non-residential uses.

f) In the event the employee vehicular mode share is greater than the target vehicular modes in the TDM plan, then the TDM plan shall be modified to incorporate any reasonable requests of the Director of Engineering & Transportation within sixty (60) days after he/she issues his/her determination. Failure to issue such a determination within sixty (60) days of receiving the Annual Report shall be deemed acceptance of the Annual Report and the existing provisions of the TDM plan. If any Owner objects to any new request as being unreasonable or not required, such matter may be presented to the Transportation Board for recommendation to the Board of Appeals for determination, and during such process the applicant will not be considered out of compliance with Section 5.09.3.c.6.d of the Zoning By-law. Following the issuance (or deemed issuance) of the foregoing determination, the Building Department shall use its best efforts

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to issue the annual permit for the Transportation Access Plan Agreement (TAPA) under Section 5.09.3.c.6.d of the Zoning By-law with appropriate due diligence.

g) A Certificate of Occupancy for the Residential Building shall not be issued until the Medical Office Building is deemed weather-tight by the Building Commissioner.

h) CITY will install two (2) publicly accessible, short-term parking Level 3 or higher EV chargers on the site subject to utility company approval, at an estimated cost of $100,000 - $300,000 per charger. A mutually acceptable location of the chargers will be determined during site plan review. CITY will make best efforts to maximize the visibility of the chargers, and to promote their accessibility and location (via signage or otherwise) to drivers on Boylston Street.

i) CITY will mitigate construction impacts to public sidewalks, street curbs, street pavement, trees and landscaping, currently estimated at a value of $400,000. CITY will complete this work with the approval of and in coordination with the Town's Department of Public Works. All work required shall be related specifically to mitigation of the construction for this Mixed Use Project.

j) In support of the Town's goals related to climate action and resiliency, in particular its goal of promoting building material salvage and reuse by adopting policies that require deconstruction, setting diversion targets, and offering permitting incentives to encourage recovery over disposal:

    i. CITY will create and implement a Waste Management Plan utilizing a template recommended by the Town's Sustainability Division, to determine what materials CITY will generate in advance of demolition and identify specific waste diversion opportunities, if any, for those materials, be it through deconstruction, source separation, or mixed C&D recycling, depending on cost and feasibility of such options, if any.

    ii. CITY will share findings and provide feedback to the Town's Sustainability Division with a minimum commitment of two information-sharing discussions about the Waste Management Plan and feasibility of implementation of any options and the process with the Sustainability Division at mutually agreed upon checkpoints before and after demolition.

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iii. CITY will explore sustainable design elements and site features, such as those described in the memorandum attached hereto as Exhibit E. This provision shall not be interpreted as superseding or granting a waiver from any obligation from other provisions of this MOA or any other source including, but not limited to, local, state, and federal regulations, laws, or statutes.

k) Prior to issuance of a Building Permit the Owner/Applicant shall file a landscape plan for review and approval by the Director of Regulatory Planning and Town Tree Warden which shall include a landscape buffer at the Western edge of the Site with densely planted shrubs or trees which are of a type that may be expected to form a year-round dense screen.

7. All Parties to this agreement acknowledge the requirement in the Proposed Zoning Amendment that CITY devote 2% of the hard construction cost of constructing its project (including any building, garage, site work, above ground or underground structures, but exclusive of tenant fit-up) to advance the planning, designing, or implementation of offsite pedestrian, bicycle, streetscape, or vehicular infrastructure improvements (such as, but not limited to, intersection safety improvements, pedestrian-scale lighting, public art not contemplated by Section 8 below, street furniture) on all roadways and sidewalks within a quarter mile of the CHC Overlay District or public safety improvements (collectively, "Mitigation Work"). All Parties agree this contribution is roughly proportional to the cumulative impact the Project will have on the Town's transportation and public safety infrastructure. Potential uses for the contribution include, but are not limited to:

a) A BlueBikes station provided by CITY on the Site or in a location agreed to by the Commissioner of Public Works, with an estimated cost of $65,000 for a 19-dock station with ten bikes, including installation costs;

b) Design costs for multi-modal safety improvements to neighboring streets, including Boylston and Heath Streets, to improve vehicular capacity and reduce traffic impacts by broadening the ability of tenants and visitors to use different modes of transportation to and from the site safely, with the monies covering such costs to be transmitted to the Town at least six (6) months in advance of any special permit application for the Site;

c) Streetscape improvements to address the condition and aesthetics of Chestnut Hill Commercial Area's public realm and transportation infrastructure; and

d) Public safety improvements including apparatus and equipment such as an additional ladder truck and the cost to outfit it.

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8. Within twelve (12) months of receiving the first Certificate of Occupancy for a building within the Project, CITY will fund, in an amount up to $150,000, the installation of a Chestnut Hill Commercial Area gateway public art installation to be located on the Site or in another mutually agreed upon location within the Chestnut Hill Commercial Area. Said installation will by visible from Boylston Street. The Call for Artists process for this public art installation will be executed by the Brookline Commission for the Arts utilizing the process established under the Brookline Art Makes Community (BAMC) public art initiative. Call for Artists' criteria will be developed in partnership with CITY or their designee. Special outreach will be conducted to the Chestnut Hill neighborhood in specifying opportunities for public input on the Call for Artists' criteria. Brookline Commission for the Arts will select at least three finalists from which CITY or their designee will choose the awardee. Concurrent with the payment for the installation, CITY will make an additional one-time payment of $20,000 to the Town, as a contribution to the maintenance of the public art.

9. CITY commits to continued exploration with the Town, other Chestnut Hill property owners, and potentially the Massachusetts Department of Transportation (MassDOT) and Department of Conservation and Recreation (DCR) regarding the potential establishment of a Chestnut Hill Business Improvement District (BID) to provide amenities and services that will ensure the long-term success and vibrancy of the Chestnut Hill Commercial Area. Within two years of filing the special permit application, CITY commits to convene at least one meeting – featuring a presentation from a Business Improvement District (BID) expert, whose consulting services will be paid for by CITY – of Chestnut Hill Commercial Area commercial property owners to initiate a discussion about advancing a BID in Chestnut Hill.

10. No later than the issuance of a Certificate of Occupancy for every Permitted Building, CITY and the Town shall enter into a Maintenance Agreement, in a form approved by the Commissioner of Public Works, for the upkeep of the Town-owned property adjacent to the Site and extending to the curb-line, such as planters, street trees, and snow and leaf removal.

11. To the extent CITY or any future operator of any building on the Site provides a shuttle service for residents, hotel guests, employees, or otherwise, CITY or the future operator will ensure that the public at large can utilize the shuttle for free. The shuttle will stop at the Chestnut Hill Green Line station. Public access to said shuttle must be clearly promoted on the shuttle and any accompanying shuttle promotional materials. Shuttle ridership information shall be shared with the Town on an annual basis, preferably as part of the TDM plan reporting.

12. Subject to reasonable availability of materials and assessment of feasibility, CITY will seek to participate in a low-carbon concrete installation pilot program

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regarding the installation and maintenance of no less than 200 square feet of low-carbon concrete sidewalk, patio, or hardscaping on a mutually agreed upon location. CITY commits to sharing information about installation and wear-and-tear with the Town's Sustainability Division at regular intervals.

13. City agrees to explore options with its consultants and contractors for the use of sustainable materials and geothermal energy for both the construction of the Project and its ultimate use.

14. CITY acknowledges that it will be responsible for funding any costs related to Building Department plan review or inspections for the Project, up to $100,000.

15. The Hotel & Condo Building will have conference room/meeting space, and CITY will make conference room/meeting space available to neighborhood or Town groups twice a year, free of charge, upon requests made with an appropriate amount of lead time.

16. CITY will make a one-time payment of Twenty-Five Thousand Dollars ($25,000) to each of the following Brookline non-profit organizations prior to issuance of the Building Permit:

    i. The Brookline High School Innovation Fund;

    ii. The Brookline Teen Center;

    iii. Martin Trust Early Learners;

    iv. Brookline Community Foundation.

    v. Brookline Community Development Corporation; and

    vi. Brookline Early Education Program

17. CITY acknowledges that it is solely responsible for the items listed below in the subparts to this Section as they relate and are required for this Project, and that it does not expect contribution from the Town other than what is required by law or regulation:

    a) Water and sewer infrastructure costs

    b) MEPA or MassDOT permitting and any related costs necessary for said permitting

    c) Utilities capacity analysis

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18. In the event that any phase of the Project is below the Minimum Commercial Use Requirement for the built space as set forth in the Proposed Zoning Amendment or as may be required in a Project Special Permit or Site Plan Approval, the Owner of the Site (or the Owner of the portion of the site intended to house the majority of the building space that led to the failure to meet the Minimum Commercial Use Requirement) shall pay a penalty as set forth herein:

    a) It is anticipated that the Project will proceed in two phases with the Hotel & Condo Building constructed first followed by the Medical Office Building and Residential Building. CITY intends for the Hotel & Condo Building to meet the Minimum Commercial Use Requirement for built commercial square footage. The Medical Office Building and Residential Building, if constructed simultaneously, will also meet the Minimum Commercial Use Requirement. However, if after the issuance of a Certificate of Occupancy (temporary or final, hereinafter referred to as "CO") for the Residential Building there is a delay in the construction of the Medical Office Building, and such delay causes the Project to fall below the Minimum Commercial Use Requirement, and such delay is more than five (5) years from the date of the CO for the Residential Building, then the Owner of the Site (which shall mean the Owner of majority of the portion of the Site intended to house the Medical Office Building if the Site is no longer under the control of a single entity) shall make payments to the Town to compensate for the unrealized property tax revenue (the "Penalty Payments").

    b) Prior to the issuance of the building permit for the Residential Building or Medical Office Building, the Tax Assessor will estimate the value of the Medical Office Building upon completion (the "Estimated Medical Office Value") and shall provide such estimate to CITY. CITY shall have the right to challenge or otherwise appeal the Estimated Medical Office Value to the Board of Assessors. Any dispute over the Estimated Medical Office Value shall be handled first through non-binding mediation. The Penalty Payments shall be made quarterly to the Town in an amount equivalent to the projected tax payments of the Estimated Medical Office Value in the current year, net of the current required property tax payments attributed to the Medical Office building as commercial space (if partially constructed, for example). The Penalty Payments shall begin on the 5th anniversary of the issuance of the CO for the Residential Building, and shall continue until a CO is issued for commercial space that is sufficient to meet the Minimum Commercial Use Requirement.

    c) In the event that a delay is caused by a Force Majeure event (as defined in Section 18(d) of this Agreement) or a delay in inspections, review, or permit issuance by any relevant state agency or town department, then the start of such Penalty Payments shall be extended by an equivalent

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amount of time, but in no case shall any extension be granted if the delay is related to blasting work related to ledge removal.

19. Undertakings of the Town:

On _____, 2026 the Select Board voted to recommend favorable action on the Proposed Zoning Amendment and a Warrant Article related to the general authorization for this Memorandum of Agreement and the 95-year Tax Certainty Agreement subject to the terms and conditions of this Agreement and shall convey its votes and favorable report to the Advisory Committee and in the Combined Reports (or any supplements thereto) which shall be delivered to all Town Meeting Members. The Select Board shall support and undertake action necessary to obtain the expedited approval of the Attorney General of The Commonwealth of Massachusetts of the Proposed Zoning Amendment by Town Meeting. The Select Board shall also, to the extent appropriate, cooperate with CITY and shall encourage Town staff to cooperate with CITY in reviewing in a timely and expeditious manner any required permits and approvals for the Project. To the extent necessary, the Select Board or its designee shall also file a Warrant Article for consideration at a future Town Meeting in order for the Board to accept the relocation of the existing Sewer Easement.

The Town shall take steps to submit future Warrant Article(s) to relocate existing utility or water sewer easements as needed for the completion of the Mixed Use Project.

20. Miscellaneous:

a) It is the intent of the Parties that the obligations in this Agreement shall run with the land comprising the Mixed Use Project and be binding upon and inure to the benefit and burden of CITY and its mortgage lenders and their heirs, successors and assigns during their respective periods of ownership of and/or interests in the Mixed Use Project and its components and shall survive any transfer of the Property or any portion thereof. CITY agrees to provide a copy of this Agreement to any transferee of the Property or any portion thereof. In the event that CITY sells, transfers or assigns all or a portion of its rights in the Site or the Project, it shall notify the Town of the name, address and other contact information of the successor or assignee no later than thirty (30) days before the closing on the sale or transfer of the Site or any interest therein to the successor or assignee.

b) Each of the Parties signing below hereby represents and warrants that it is authorized to enter into this Agreement and execute the same on behalf of, and to bind legally, such Party.

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c) All notices or requests required or permitted hereunder shall be in writing and addressed, if to the Town as follows:

Select Board
Town of Brookline
333 Washington Street
Brookline, MA 0 2445

with a copy to:

Town Counsel
Office of Town Counsel
333 Washington Street
Brookline, MA 02445

If to CITY addressed as follows:

Fred Starikov, 1296 Boylston Brookline Trust
City Realty Group
500 Lincoln Street
Alston, MA 02134

And a copy to:

Robert L. Allen, Jr., Esq.
Jennifer Dopazo Gilbert, Esq.
Law Office of Robert L. Allen, LLP
300 Washington Street
Brookline, MA 02445

Each of the Parties shall have the right by notice to the other to designate additional parties to whom copies of notices must be sent, and to designate changes in address. Any notice shall have been deemed duly given if mailed to such address postage prepaid, registered or certified mail, return receipt requested, on the date the same is received or when delivery is refused, or if delivered to such address by hand or by nationally recognized overnight courier service, fees prepaid, when delivery is received or when delivery is refused, or if transmitted by facsimile or other electronic means with confirmatory original by one of the other methods of delivery herein described, on the date so transmitted by facsimile or other electronic means.

d) If and to the extent that either of the Parties is prevented from performing its obligations hereunder by an event of force majeure, such party shall be excused from performing hereunder and shall not be liable in damages or

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otherwise, and the Parties instead shall negotiate in good faith with respect to appropriate modifications to the terms hereof to confer the benefits to each respective party as contemplated by this Agreement. For purposes of this Agreement, the term force majeure shall mean any cause beyond the reasonable control of the affected party, including without limitation: acts of God, fire, earthquake, floods, explosion, actions of the elements, war, terrorism, riots, mob violence, inability to procure or a general shortage of labor, equipment, facilities, materials or supplies in the open market; failure of transportation, strikes, lockouts; actions of labor unions; condemnation, laws or orders of governmental or military authorities, requirement of statute or regulation, action of any court, regulatory authority, or public authority having jurisdiction; or any other cause similar to the foregoing, not within the reasonable control of such party obligated to perform such obligation. With respect to any particular obligation of CITY only, the term force majeure shall include the denial of, refusal to grant or appeals of any permit or approval of any public or quasi-public authority related to Town Meeting Approval Conditions and Special Permit and Other Required Approvals, official, agency or subdivision and any litigation brought by a third party relating to such particular obligation.

e) Failure by CITY to perform any term or provision of this Agreement shall not constitute a default under this Agreement unless and until CITY fails to commence to cure, correct or remedy such failure within sixty (60) days of the receipt of written notice of such failure from the Town to CITY and thereafter fails to complete such cure, correction or remedy within ninety (90) days of receipt of such written notice or, with respect to defaults which cannot reasonably be cured, corrected or remedied within such ninety (90) day period, within such additional period of time as is reasonably required to remedy such default, provided CITY exercises due diligence in the remedying of such default and notifies the Town of the steps being taken to remedy the default.

f) The Parties agree that time is of the essence with respect to the obligations of the Parties as set forth herein. Subject to market conditions and financing availability, CITY agrees to use best efforts to diligently apply for the necessary special permits and site plan approvals and then expeditiously as possible after the issuance of the Special Permit(s)/Site Plan Approval(s) for the Mixed Use Project to apply for all necessary building permit(s) and to diligently commence work on the Mixed Use Project subject to the terms herein. The Town agrees to request an expedited determination from the Office of the Attorney General with respect to any Proposed Zoning Amendment.

g) The obligations of CITY do not constitute the personal obligations of CITY's employees, directors or officers and the Town shall not seek recourse against

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any of the foregoing or any of their personal assets for satisfaction of any liability with respect to this Agreement or otherwise. In no event shall CITY be liable for any incidental, indirect, punitive or special or consequential damages.

h) Each Party agrees from time to time, upon not less than ten (10) days' prior written request from the other, to execute and deliver a statement in writing certifying that this Agreement is in full force and effect (or if there have been any modifications, setting them forth in reasonable detail), and that there are no uncured defaults of either Party under this Agreement (or, if not, specifying the respects in which the requesting party is not in compliance in reasonable detail), in form reasonably acceptable to and which may be relied upon by any prospective purchaser, tenant, mortgagee or other party having an interest in the Property and any component of the Mixed Use Project. Upon full performance by CITY of its obligations hereunder, the Town, at CITY's request shall issue a statement in a form appropriate for recording with the Norfolk County Registry of Deeds and filing with the Norfolk Registry District stating that all of the terms of this Agreement have been satisfied.

i) Whenever the consent or approval of any party is required under this Agreement, such consent or approval shall not unreasonably be withheld, delayed or conditioned.

j) This Agreement shall be deemed to have been executed within the Commonwealth of Massachusetts and the rights and obligations of the Parties shall be governed by Massachusetts law. Any action to enforce the terms of this Agreement shall be brought in Norfolk County Superior Court.

k) If any provision of this Agreement or the application of such provision to any person or circumstances shall be determined to be invalid or unenforceable, the remaining provisions of this Agreement or the application of the provision to persons or circumstances other than those to which it is held invalid or unenforceable shall not be affected and shall be valid and enforceable to the fullest extent.

l) This Agreement and the accompanying 95-year Tax Certainty Agreement set forth the entire agreement of the Parties with respect to the subject matter thereto. The failure of any party to strictly enforce the provisions hereof shall not be construed as a waiver of any obligation hereunder. This Agreement may be modified only in a written instrument signed by the Select Board and CITY. The Parties do not intend for any third party to be benefited hereby.

m) This Agreement and the accompanying 95-year Tax Certainty Agreement shall be deemed null and void and of no force and effect if Town Meeting Approval Conditions are not met.

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IN WITNESS WHEREOF, the parties have executed this Agreement under seal as of the date first written above.

1296 BOYLSLTON BROOKLINE TRUST	TOWN OF BROOKLINE, By and through its Select Board
By_____	_____
Fred Starikov, Trustee, 1296 Boylston Brookline Trust	_____ _____ _____ _____
Dated:_____	Dated:_____

ADD signatory entities for each parcel if different:

XXXXXXXXXXXX LLC

By_____ Dated:_____
XXXXXXXXXXXXXXX
Duly Authorized on behalf of XXXXXXXXXXXXXX

XXXXXXXXXX Trust,

By_____ Dated:_____
Trustee of the
XXXXXXXXXX Trust

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COMMONWEALTH OF MASSACHUSETTS

NORFOLK, ss

I hereby certify that on this _____day of _____, 2026, personally appeared the above named _____, and provided identification in the form of _____, and who executed the foregoing as his free act and deed as _____ of the _____ LLC.

_____
Notary Public
My Commission Expires:

COMMONWEALTH OF MASSACHUSETTS

NORFOLK, ss

I hereby certify that on this _____day of _____, 2026, personally appeared the above named _____, and provided identification in the form of _____, and who executed the foregoing as his free act and deed as _____ of the _____ LLC.

_____
Notary Public
My Commission Expires:

COMMONWEALTH OF MASSACHUSETTS

NORFOLK, ss

I hereby certify that on this _____day of _____, 2026, personally appeared the above named _____, and provided identification in the

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form of _____, and who executed the foregoing as his free act and deed as _____ of the _____ LLC.

_____
Notary Public
My Commission Expires:

COMMONWEALTH OF MASSACHUSETTS

NORFOLK, ss

I hereby certify that on this _____day of _____, 2026, personally appeared the above named _____, _____, _____, _____, and _____, personally known to me and who executed the foregoing as their free act and deed as members of the Select Board of the Town of Brookline acting on behalf of the Town of Brookline.

Witness our hands and seals at Norfolk County, Brookline, Massachusetts, this ____ of _____, 2019.

_____
Notary Public
My Commission Expires:

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IN RE: the four parcels known as 1280 Boylston Street (Parcel I.D. No. 425-10-00); 1290 Boylston Street (Parcel I.D. 425-10-01); 1300 Boylston Street (Parcel I.D. 425-11-00) and 1330 Boylston Street (Parcel I.D. No. 425-12-00)
BROOKLINE, MASSACHUSETTS
TAX CERTAINTY AGREEMENT

This Agreement between XXXXXXXXXXXXXXXX, with a principal place of business at City Realty Group, 500 Lincoln Street, Allston, MA 02134, and its successors and assigns ("CITY") and the Town of Brookline, a municipal corporation ("Town"), located in Norfolk County, Massachusetts and acting by and through its Select Board (the "Board")(collectively, "the Parties"), is made and entered into this ___ day of _____, _____, upon the mutual promises and obligations hereinafter set forth and additional consideration which the Parties acknowledge is adequate and appropriate, upon the following terms and conditions:

PREAMBLE

WHEREAS, the Town through its comprehensive plan seeks to encourage the redevelopment of underutilized, vacant and/or abandoned buildings and land in the Chestnut Hill area and to be assured that such redevelopment results in the improvements remaining as taxable properties within the Town to help protect the Town's existing property tax revenue; and

WHEREAS, CITY owns the several parcels of real property known as and numbered as 1280 Boylston Street (Parcel I.D. No. 425-10-00); 1290 Boylston Street (Parcel I.D. 425-10-01); 1300 Boylston Street (Parcel I.D. 425-11-00) and 1330 Boylston Street (Parcel I.D. No. 425-12-00) (collectively hereinafter the "Premises"), the legal descriptions of which are attached hereto as Exhibit A, which currently consists of a several commercial buildings XXXXXXXXXXXXXXXXXXX; and

WHEREAS, CITY has proposed a mixed-use development on the Premises consisting of several buildings including a modern Select-Service hotel with luxury condominiums, a medical office building and residential building, all with parking (the "Project"); and

WHEREAS, the Town has a water sewer easement of approximately XXXX +/- square feet of land recorded at XXXXXXXXXXXXXXX (hereinafter the "the Town's Sewer Easement"); and

WHEREAS, CITY requires a zoning amendment to construct the Project; and

WHEREAS, CITY acknowledges the value of the Town's Sewer Easement to the Project; and

WHEREAS, CITY has stated to the Town that the Project is not likely to result in a loss of the Town's taxable property, and in order to assure that the Premises will pay taxes or the equivalent thereof in the future it has offered to enter into this Agreement; and

WHEREAS, the Town intends to file a Warrant Article for consideration by Town Meeting to relocate an existing Town Sewer Easement and authorize the Board to execute and record the revised Sewer Easement from CITY on certain terms and conditions and upon the assurance that CITY would enter into an agreement binding upon its successors and assigns with respect to the future payment of taxes or the equivalent thereof; and

WHEREAS, the Town and CITY seek to confirm their shared commitment to keeping the Premises upon which the Project may be constructed as a taxable parcel notwithstanding that by virtue of its potential use, it may be exempt from the payment of real estate taxes as nontaxable real property under Massachusetts General Laws, Chapter 59, §5, Clause Third or other applicable exemption; and

WHEREAS, for the reasons stated above and pursuant to the terms of this Agreement, the Town and CITY have agreed that CITY and its successors and assigns in title to the Premises will make, during the term of this Agreement, as that term is explicitly defined below, voluntary payments to the Town in lieu of real estate and hotel room excise taxes in circumstances in which CITY or its successors and assigns in title would not otherwise be obligated to pay on the Premises to the Town under applicable law. Voluntary in-lieu of tax payments are in addition to other economic enhancements provided by CITY in developing the Premises as may be mutually agreed between the Town, acting through its Select Board, and CITY.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties, CITY and the Town agree as follows:

1. <u>CITY Commitment to Voluntary Annual Payment to the Town</u>. This Agreement shall become effective on the date of its recording with the Norfolk Registry of Deeds and/or the Norfolk Registry District of the Land Court as may be required ("the Effective Date"). Subsequently, commencing with the first fiscal tax year next following the first assessment date on which the Project has been constructed by CITY on the Premises and has received a final Certificate of Occupancy from the Town, in the fiscal years thereafter during which the Premises is being used for an Exempt Use or Uses, as hereinafter defined, and expiring ninety-five years from the Effective Date of this Agreement (the "Term"), CITY shall make a direct financial contribution to the Town (the "Annual Payment"), and the Town shall accept the Annual Payment in full satisfaction of CITY's obligations to make payments to the Town under this Agreement and/or applicable law (whether now in effect or, subject to Section 9, hereafter amended or adopted) on account of the Premises being used for an Exempt Use or Uses. During the Term, the Annual Payment shall be paid by CITY to the Town pursuant to this Agreement, consisting of the "Voluntary Real Estate Tax Payment" more particularly described in Section 2 below and the "Voluntary Hotel Room Tax Payment" more particularly described in Section 3 below. The assessment date shall mean January 1st or another date on which the Town Assessors by statute determine the value of real property for the next following fiscal year.

2. <u>Voluntary Payment in Lieu of Real Estate Tax to the Town.</u> The "Voluntary Real Estate Tax Payment" shall be paid to the Town by CITY and its successors-in-title pursuant to this Agreement in quarterly installments on the date real property taxes are due and payable in the

Town in each applicable fiscal tax year during the Term. The total Voluntary Payment shall be equal to the amount of real property taxes that would otherwise have been levied by and owed to the Town for all or any portion of the Premises were it not used for an Exempt Use or Uses and thus not exempt from real property taxes under applicable law in the relevant fiscal tax year. CITY shall have the right to contest the amount of the Voluntary Payment on the basis of over valuation or disproportionate valuation in comparison to similar properties, provided CITY shall before commencing legal action first use good faith efforts to mediate the issue of valuation with the Assessors. An Exempt Use or Uses shall mean those uses of real property that render such property eligible for exemption from real property taxation pursuant to Massachusetts General Laws Chapter 59, Section 5, Clause Third or other similar law, whether currently in existence or adopted during the Term of this Agreement. The Town shall provide CITY with a written statement of the amount due not less than thirty (30) days prior to the due date.

3. **Voluntary Payment in Lieu of Excise Taxes to the Town.** Currently, the Town of Brookline imposes an occupancy excise tax charged against hotel revenues in accordance with Massachusetts General Laws, Chapter 64G, Sections 3 and 3A. CITY agrees that in the event the Project no longer includes the hotel use subject to occupancy excise taxes, then pursuant to this Agreement, it and its successors-in-title, shall make a voluntary payment in lieu of excise taxes ("Voluntary Room Tax Payment") in quarterly installments on the date real property taxes are due and payable in the Town in each applicable fiscal tax year during the Term. If the hotel use is paying an occupancy excise tax for all hotel rooms in the Project at the time of the final Certificate of Occupancy ("Project Hotel Rooms") in accordance with Massachusetts General Laws, Chapter 64G, Sections 3 and 3A, then there will be no Voluntary Room Tax Payment owed to the Town. If, however, the hotel use is no longer subject to Massachusetts General Laws, Chapter 64G, Sections 3 and 3A, or if the hotel use changes to any other use not subject to local occupancy excise tax, CITY shall be obligated to make the Voluntary Room Tax Payment based upon the following formula:

a. (Audited Total Room Revenue of Premises) x (Local Option Hotel tax),

or if hotel operations cease such that the use of the building is no longer being used as a hotel, however, this shall not apply where hotel operations are temporarily ceased for reasons such as renovations and maintenance or cease for any Force Majeure event as that term is defined in par. 19(d) of the Memorandum of Agreement between the Parties dated XXXXXXXXXX and recorded on XXXXXXXX in Book XXX, Page XXX of the Norfolk County Registry of Deeds, so long any such cessation is for less than one year:

b. (REVPAR) x (Project Hotel Rooms) x (Local Option Hotel tax), where REVPAR, or Revenue Per Available Room, is the annual Average for the Hotel's Competitive Set, as defined and reported by CoStar with STR Benchmark (formerly Smith Travel Research) or similar industry leader in reporting hotel performance metrics, and, if needed, updated by the Town's annual assessment date for the following fiscal year.

4. **Termination of Agreement**. The Town or CITY shall have the right to terminate this Agreement by, and effective upon, written notice of such termination delivered to the other in accordance with Section 9(a), in the event that, at any time after the Effective Date the federal or state laws, regulations, ordinances and/or other government requirements applicable to the payment by CITY of taxes, similar assessments or payments in lieu of such taxes on the Premises used for an Exempt Use or Uses and/or any judicial or administrative interpretation of any of them (other than by the Town), change in any manner, the direct or indirect effect of which is to change the terms, conditions, and/or benefits of this Agreement in any way that is materially adverse to the Town or CITY, with the exception of a change that would have the effect of expanding the uses covered by the term Exempt Uses in this Agreement. This Agreement shall not in any manner whatsoever restrict the Town's exercise of its police power. Upon transfer of title of the Premises CITY's obligations under the Agreement shall automatically terminate and the successor owner of the Premises shall be bound by the terms of this Agreement in accordance with the Successor Affirmation set forth in Section 8 of this Agreement.

5. **Period of Restrictions.** It is the intent of the Parties that the restrictions set forth herein be imposed for a term of ninety-five (95) years from the Effective Date hereof, and CITY hereby agrees and acknowledges that the restrictions shall not be deemed to be "unlimited as to time" within the meaning of Massachusetts General Laws, Chapter 184, Section 23, and that prior to the expiration of the initial thirty (30) years and prior to the expiration of any subsequent renewal period, such restrictions may be renewed from time to time thereafter for additional periods not in excess of twenty (20) years each, in accordance with the provisions of Massachusetts General Laws, Chapter 184, Section 27 or any successor statute.

6. **Representations as to Authority**. *The Town's Authority*. The Town represents that it is duly organized, validly existing and in good standing under the laws of Massachusetts and has all requisite municipal power and authority under the Town's Bylaws and under the laws of Massachusetts to execute, deliver, perform and be bound by this Agreement. The Town represents that (i) the individuals executing and delivering this Agreement on the Town's behalf are the incumbents of the offices stated under their names, and such offices have been duly authorized to do so by all necessary municipal action taken by and on the part of the Town, (ii) the Agreement has been duly and validly authorized, executed and delivered by the Town, and (iii) subject to any future decision of a court or arbitrator of competent jurisdiction (which the Town will not instigate and has no reason to believe will be forthcoming), the Agreement constitutes the valid and binding obligation of the Town, enforceable against the Town in accordance with its provisions. If a third party challenges the validity and enforceability of this Agreement against the Town, the Town agrees to use best reasonable efforts to defend the validity and enforceability of this Agreement.

CITY's Authority. CITY represents that it is duly organized, validly existing and in good standing under the laws of Massachusetts and has all requisite power and authority to execute, deliver, perform and be bound by this Agreement. CITY represents that (i) the individual executing and delivering this Agreement on CITY's behalf is the incumbent of the office stated under his name, and such offices has been authorized to do so by all necessary corporate action

taken by and on the part of CITY, (ii) the Agreement has been duly and validly authorized, executed and delivered by CITY, and (iii) subject to any future decision of a court or arbitrator of competent jurisdiction (which CITY will not instigate and has no reason to believe will be forthcoming), the Agreement constitutes the valid and binding obligation of CITY, enforceable against CITY in accordance with its provisions. If a third party challenges the validity and enforceability of this Agreement against CITY, CITY agrees to use best reasonable efforts to defend the validity and enforceability of this Agreement.

7. Lien/Collection Remedies. Upon the failure to make any Voluntary Payment to the Town, the Town may take whatever action it deems feasible to collect said payment whether in law or equity. The Parties agree that the Voluntary Payment may constitute a fee for collection proceedings and may constitute a lien on the property for collection purposes. Upon written request from time to time to the Town Tax Collector, the Tax Collector shall provide the record owner of the Premises with a written statement certifying compliance with this Agreement as of said date and otherwise stating any amounts due and payable and the amount of the Voluntary Payment.

8. Deed Reference and Affirmation of Successor In Title. CITY and its successors in title agree that during the Term, that each successive deed to the Premises executed and delivered by the grantor shall contain the following statement:

> "Reference is made to an Agreement by and between CITY (add entities as necessary) and the Town of Brookline dated _____, _____, recorded with Norfolk County Registry of Deeds in Book _____, Page _____ (the 'Tax Certainty Agreement'), as well as all amendments duly made and recorded. By acceptance and recording of this deed, the Grantee acknowledges and accepts the Tax Certainty Agreement and all relevant amendments and agrees that the same shall be binding and enforceable against the Grantee in accordance with its terms."

CITY and such successors in title shall notify the Town in the manner provided in Section 9 hereof of the conveyance of the Premises and shall provide the Town with a copy of the deed evidencing the same conforming to this Section 8. The Town shall not be required to issue the certification provided for in Section 7 hereof absent compliance with Section 8, where applicable.

9. Miscellaneous Provisions.

(a) Notices. All notices, consents, directions, approvals, waivers, submissions, requests and other communications under this Agreement shall be effective only if made in writing with all delivery charges prepaid by a method set forth below, shall be effective at the times specified below, and shall be addressed to:

City Realty Group
500 Lincoln Street
Allston, MA 02134

With a copy to:

Robert L. Allen Jr., Esq.
Law Office of Robert L. Allen Jr., LLP
300 Washington Street
Brookline, MA 02445

Town of Brookline
Attn: Town Administrator
Brookline Town Hall
333 Washington Street
Brookline, MA 02445

With a copy to:

Town of Brookline
Attn: Town Counsel
333 Washington Street
Brookline, MA 02445

___ By commercially recognized overnight or expedited commercial courier service, effective upon delivery or the refusal of delivery by or on behalf of the addressee as evidenced by the delivery receipt;

___ By hand delivery, effective upon delivery or the refusal of delivery by or on behalf of the addressee as evidenced by the messenger's receipt; or

___ By US certified or registered mail, return receipt requested, effective upon delivery or the refusal of delivery by or on behalf of the addressee as evidenced by the return receipt.

Any party may change or add to the addressees and/or addresses for notice by giving notice of such change or addition to the other party in accordance with this paragraph.

(b) Severability/Captions. The provisions of this Agreement are severable and, if any provision, or any portion thereof, is deemed by a court or arbitrator of competent jurisdiction to be invalid, illegal, or unenforceable for any reason, the remaining provisions, or remaining portions thereof, shall remain valid and enforceable to the fullest extent permitted by law, provided that (as determined by agreement of the Parties or by a court or arbitrator of competent jurisdiction) such continuing validity and enforceability results in neither the loss of any material benefit to, nor the increase of any material burden on, either party or

both of them, as such benefits and burdens are originally provided in this Agreement. If this Agreement is terminated or rendered of no effect due to the invalidity, illegality, or unenforceability of any of its provisions, those CITY obligations that otherwise would survive the Term shall end. The captions used in this Agreement are for convenience only and shall not be deemed to have any relevance to the meaning of any of the provisions.

(c) Waivers/Time of Essence. The provisions and any breach of this Agreement shall not be waived, except expressly in writing signed by the waiving party. A waiver on one occasion or of one provision or breach shall not constitute a waiver on another occasion or of another provision or breach. Time is of the essence of this Agreement.

(d) Amendments. This Agreement shall not be amended unless such amendment shall be expressly agreed in writing executed by duly authorized representatives both Parties.

(e) Whole Agreement/Survival. This Agreement supersedes any previous negotiations or agreements between the Parties to this Agreement, whether oral or in writing, in relation to the matters dealt with herein and represents the entire agreement between the Parties in relation thereto. The provisions of this Agreement that, by their specific terms apply after the Term shall, except as provided in Sections 4 and 9(b), survive the Term for so long as applicable; and all of the provisions of this Section 9 shall also survive the Term in relation to any of this Agreement's other surviving provisions.

(f) Real Property. All references in this Agreement to real property or property owned by or of CITY shall be deemed to mean fee ownership of the Premises, including fixtures and/or improvements thereto and any use and/or occupancy of the Premises, including leases, which would affect the determination of whether the property is exempt or taxable by the Town.

(g) Reservations. The Town and CITY agree that this Agreement provides the Town with protection of its tax base; but nothing in this Agreement in any way restricts the Town's complete discretion in the exercise of its police power or imposes any restrictions on CITY's complete discretion to determine whether and how the Premises shall be developed and improved and the use of the Premises and whether the Premises shall be reserved for, converted to, or acquired for, an Exempt Use or Uses and/or taxable purposes, taking into account economic conditions from time to time, relevant site constraints of development and any and all other considerations it desires. The Town and CITY each reserves all of its respective positions, rights and remedies at law and equity in connection with real estate taxes and exemptions in the event of the termination, expiration or inapplicability of this Agreement. CITY is entering into this Agreement voluntarily; and nothing in this Agreement or CITY's performance of its covenants hereunder shall be construed for any purposes whatsoever to constitute an acknowledgement by CITY of any regulatory, statutory or contractual obligation to make the Voluntary Payment or any other payment to the Town on account of real property owned by CITY for Exempt Purposes, beyond the explicit contractual commitments voluntarily made by CITY under, and subject to all of the terms and conditions of, this Agreement.

(h) Counterparts. This Agreement may be executed by the Parties hereto in multiple separate counterparts, each of which when so executed and delivered shall be an original, but all such counterparts shall together constitute but one and the same instrument of which there may be multiple originals.

(i) Applicable Law. This Agreement shall be governed by, and construed accordance with, the laws of The Commonwealth of Massachusetts for all purposes, without regard to any such laws governing choice of law.

(j) Successor In Title/Recording. This Agreement shall bind CITY and its successors and assigns in title to the Premises and shall be deemed to "run with the land" for the duration of the Term. This Agreement shall be recorded at the Norfolk County Registry of Deeds and Norfolk Registry District of the Land Court as appropriate upon execution of this Agreement and approval of all permitting for the Project.

IN WITNESS whereof the parties have executed this Agreement under seal as of the Effective Date.

CITY and add all entities

By _____

Hereunto duly authorized
Date: _____

Town of Brookline
Select Board:

_____

_____

_____

_____

_____

Hereunto duly authorized
Date:_____

COMMONWEALTH OF MASSACHUSETTS

Norfolk, ss

On this _____ day of _____, 20___, before me, the undersigned notary public, personally appeared _____ of_____ as _____ of _____ through satisfactory evidence of identification to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose..

_____
Notary Public

Personally Known _____
Produced Identification _____
Type of Identification _____

My Commission Expires:_____

COMMONWEALTH OF MASSACHUSETTS

Norfolk, ss

On this _____ day of _____ 20__, before me, the undersigned notary public, personally appeared _____ _____, _____, _____ _____ Select Board, of the Town of Brookline, proved to me through satisfactory evidence of identification to be the persons whose names are signed on the preceding or attached document, and acknowledged to me that they signed it voluntarily for its stated purpose as the Board of Selectmen of the Town of Brookline.

_____
Notary Public

Personally Known _____
Produced Identification _____
Type of Identification _____

My Commission Expires:_____

COMMONWEALTH OF MASSACHUSETTS

Norfolk, ss

On this _____ day of _____, 20___, before me, the undersigned notary public, personally appeared _____ of_____ as _____ of _____ through satisfactory evidence of identification to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose..

_____
Notary Public

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Type of Identification _____

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Personally Known _____
Produced Identification _____
Type of Identification _____

My Commission Expires:_____

COMMONWEALTH OF MASSACHUSETTS

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_____
Notary Public

Personally Known _____
Produced Identification _____
Type of Identification _____

My Commission Expires:_____

BROOKLINE

ECONOMIC DEVELOPMENT ADVISORY BOARD

Anne R. Meyers, Chair
Sandi Silk, Vice Chair
Mark Barer
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Lily Kaufman
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Marilyn Newman
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Zeina Talje

Date: March 16, 2026

To: Select Board

From: Sandi Silk, Vice Chair, Acting Chair of March 16th Meeting Economic Development Advisory Board

Re: EDAB Statement of Support for the Chestnut Hill Commercial Area Warrant Article Package

The Economic Development Advisory Board respectfully recommends that the Select Board approve the proposed Chestnut Hill Commercial Area (CHCA) warrant articles as adjusted to reflect concerns of major property owners in the CHC-4 Subdistrict for consideration by Town Meeting in May of this year.

As the Select Board's economic development advisors, we believe that the proposed rezoning of the entire CHCA study area, as well as the draft agreements with respect to the redevelopment of Chestnut Hill Office Park, serve the entire town of Brookline's interests in a manner appropriate for this location, and position the CHCA study area for long awaited economic growth. Those interests include an extraordinary level of recurring annual fiscal benefits to the Town. The proposed warrant articles reflect a deliberative and transparent two-year process, in which EDAB members participated along with Town staff, stakeholders, community members and other experts.

This motion passed with a vote 9-0-1.

DRAFT – FOR SELECT BOARD REVIEW

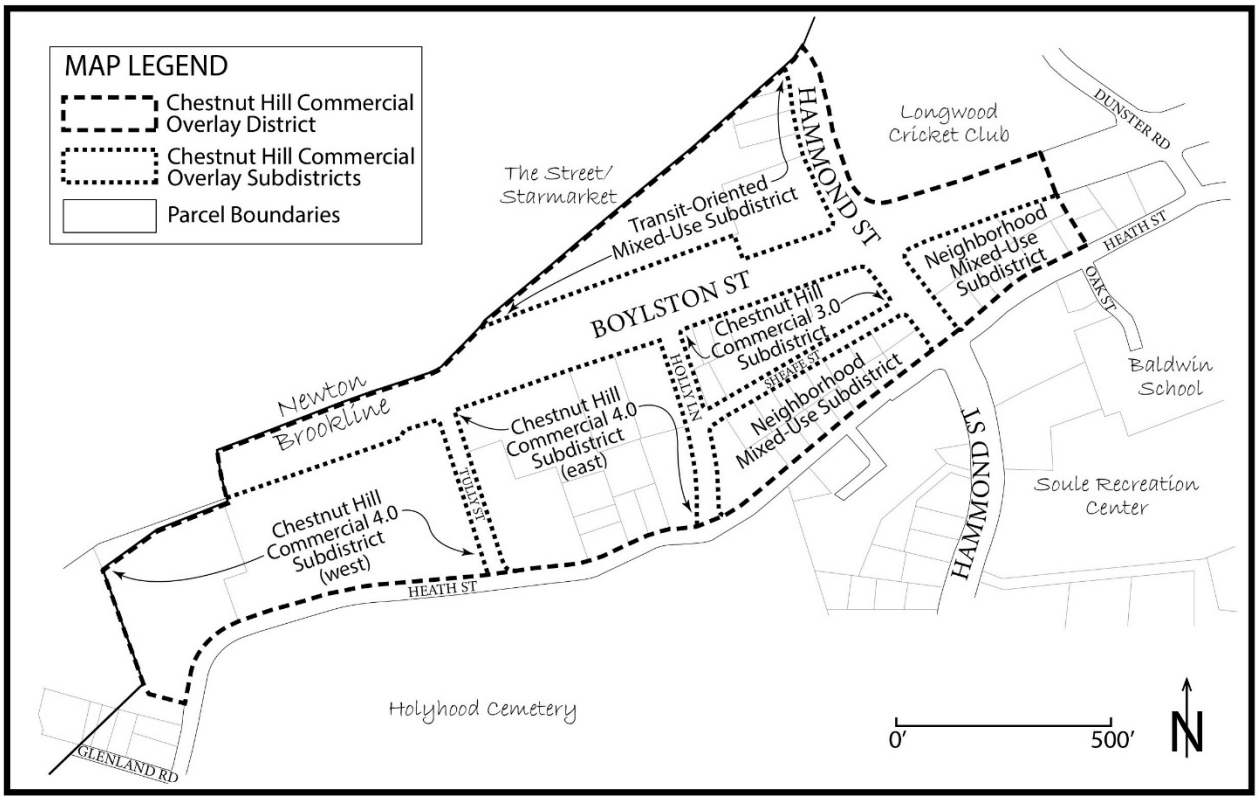
ARTICLE __

_____ ARTICLE

Submitted by: Select Board

To see if the Town will amend the Zoning By-Law and Zoning Map as follows:

1. **By adopting the following map change, adding a Chestnut Hill Commercial (CHC) Overlay District as shown below including parcels with the following Tax Parcel Identifications as noted below:**



Tax Parcel Identification	Street Address	Subdistrict
425-07-09	1268 Boylston St	Chestnut Hill
425-10-00	1280 Boylston St	Commercial 4.0
425-10-01	1290 Boylston St	Subdistrict (West)
425-11-00	1300 Boylston St	
425-12-00	1330 Boylston St	
425-07-00	629 Heath St	

425-07-01	19 Tully St	
426-05-00	1228 Boylston St	Chestnut Hill
426-04-01	1234 Boylston St	Commercial 4.0
426-01-03	1244 Boylston St	Subdistrict (East)
426-08-00	593 Heath St	
426-09-00	595 Heath St	
426-10-00	599 Heath St	
426-10-01	601 Heath St	
426-10-02	603 Heath St	
426-10-03	605 Heath St	
426-11-13	615 Heath St	
426-06-00	25 Holly Lane	
427-09-00	1182 Boylston St	Chestnut Hill
427-10-00	1190 Boylston St	Commercial 3.0
427-08-00	1192 Boylston St	Subdistrict
427-04-05	1198 Boylston St	
427-03-00	1212 Boylston St	
427-02-00	1216 Boylston St	
427-01-00	1218 Boylston St	
427-12-00	21 Sheafe St	
427-13-00	25 Sheafe St	
427-15-00	35 Sheafe St	
427-16-00	39 Sheafe St	
427-17-00	41 Sheafe St	
433-17-00	1154 Boylston St	Neighborhood Mixed
433-16-00	1162-1164 Boylston St	Use Subdistrict
433-11-12	1180 Boylston St	
423-10-00	614-622 Hammond St.	
428-07-00	615 Hammond St	
428-08-09	621 Hammond St	
433-04-00	501 Heath St	
433-08-00	513 Heath St	
433-09-00	517 Heath St	
433-09-01	521 Heath St	
428-10-00	545 Heath St	
428-11-00	555 Heath St	
428-12-00	557 Heath St	
428-13-00	559 Heath St	
428-14-00	563 Heath St	
428-01-00	26 Holly Lane	
428-06-00	8 Sheafe St	
428-05-00	14 Sheafe St	
428-04-00	18 Sheafe St	
428-03-01	22 Sheafe St	

428-03-00	26 Sheafe St	
428-02-02	30 Sheafe St	
428-02-00	34 Sheafe St	
286-06-00	1195 Boylston St	Transit-Oriented Mixed-Use Subdistrict
286-05-00	1207 Boylston St	
286-01-00	565 Hammond St	
286-02-00	571 Hammond St	
286-03-00	575 Hammond St	
286-04-00	577 Hammond St	

2. By amending § 3.01.4 – Overlay Districts – by adding a new item:

"q. Chestnut Hill Commercial Overlay District

1) Chestnut Hill Commercial 4.0 Subdistrict (CHC-4)
2) Chestnut Hill Commercial 3.0 Subdistrict (CHC-3)
3) Neighborhood Mixed-Use Subdistrict (CHC-NMU)
4) Transit-Oriented Mixed-Use Subdistrict (CHC-TOM)"

3. By amending Table 5.01 – Table of Dimensional Requirements – by adding Footnote 23, which shall read as follows:

"23. See § 5.06.4 – Special District Regulations, subsection q. Chestnut Hill Commercial Overlay District with respect to uses and all dimensional requirements."

and inserting Footnote 23 after *Any other structure or principal use* in the use columns for Districts T-6, T-5, and M-1.0; and by inserting language as underlined below in the use columns for Districts G-1.0, G-2.0, and O-2.0(CH):

(dwelling-footnotes 5, 23)

4. By amending § 5.06.4 – Special Districts – to create § 5.06.4.q "Chestnut Hill Commercial Overlay District" as follows:

q. Chestnut Hill Commercial (CHC) Overlay District

1) Intent and Purpose: It has been determined through the Chestnut Hill Commercial Area Study, as well as via the 2005 *Town of Brookline Comprehensive Plan*, that potential exists in the Chestnut Hill Commercial Area for careful, planned redevelopment to expand the Town's commercial tax base and improve the vibrancy and livability of the area. The Chestnut Hill Commercial Overlay District includes the following four Subdistricts indicated in Figure 5.06.4.q.1:

   a. Chestnut Hill Commercial 4.0 Subdistrict (CHC-4)
   High-impact economic development potential area with large, catalytic parcels capable of accommodating taller, mixed-use, campus-style development up to 12 to 14 stories in height that will add significant commercial uses to the area and expand the Town's tax base. Overlay zoning allows for larger, denser development contingent upon increased commercial activity, open space, and tree canopy provisions. This subdistrict includes two blocks between Boylston Street and Heath Street: CHC-4 West, located between the Newton-Brookline municipal border and Tully Street, and CHC-4 East, located between Tully Street and Holly Lane.

   b. Chestnut Hill Commercial 3.0 Subdistrict (CHC-3)
   Transitional commercial-oriented block. Location on a state highway and adjacency to the CHC-4 Subdistrict create the potential for denser development up to 7 stories in height. Serves as an important buffer zone between campus-style and smaller developments.

   c. Neighborhood Mixed-Use Subdistrict (CHC-NMU)
   Moderately dense, multifamily-oriented blocks with neighborhood-focused commercial uses on the ground floor along Boylston Street and Hammond Street. Maximum heights at a scale similar to already-permitted development (i.e. 4 to 6 stories) along with setback, step back, and tree canopy requirements will complement the character of the area while enhancing neighborhood identity, livability, and vitality. Bonus height for hotels or for projects with at least 50% Affordable Units to incentivize additional affordable housing.

   d. Transit-Oriented Mixed-Use Subdistrict (CHC-TOM)
   Urban, transit-oriented mixed-use subdistrict up to 7 stories in height.

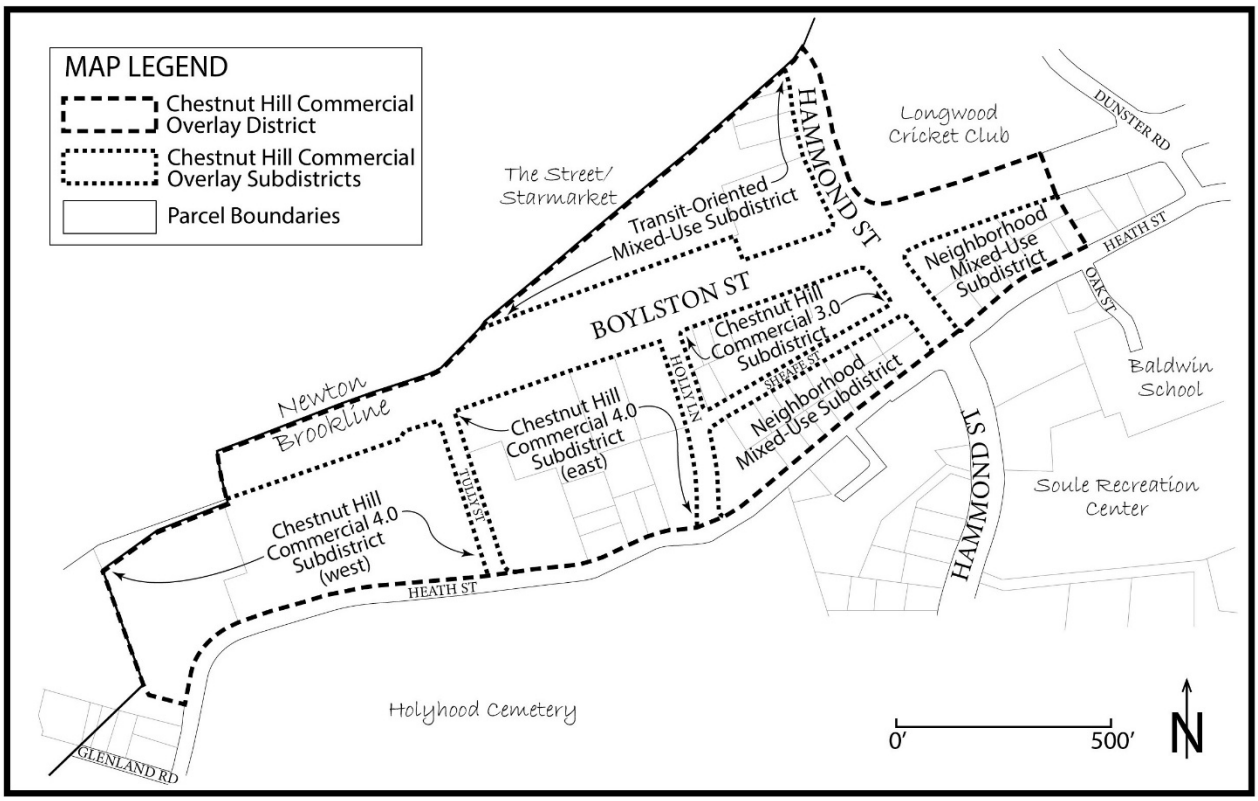


Figure 5.06.4.q.1: Subdistricts within the Chestnut Hill Commercial Overlay District

2) Conditions for Applicability: The CHC Overlay District is applicable to Projects, as defined under Sec. 5.06.4.q.3, that meet the following requirements:
    a. The minimum combined Lot Area for all parcels in a Project shall be 20,000 square feet, except in the CHC-NMU Subdistrict, where the minimum combined Lot Area for all parcels in a Project shall be 15,000 square feet;
    b. Projects shall provide Commercial Uses on the ground floor at a minimum depth of 30 feet for a minimum of 60% of each building's frontage along any Large Site Open Space, as well as each public right-of-way, except for Heath Street. The Zoning Board of Appeals may grant a Special Permit to allow the following exceptions to Sec. 5.06.4.q.2.b provided that the following conditions are met. Applications shall specify which of the following waivers from Sec. 5.06.4.q.2.b the Project seeks.
        i. The Board of Appeals may waive by Special Permit the minimum required percentage of commercial uses on the ground floor along segments of the public rights-of-way as specified in Figure 5.06.4.q.2 and as described in subparagraphs 1 through 5 provided that the Project design as a whole demonstrates the activation of the streetscape and the improved quality

of the pedestrian experience as recommended in the Design Guidelines applicable to this overlay district:

1. along Boylston Street within 500 feet of the easternmost boundary and 150 feet of the westernmost boundary of the CHC Overlay District;
2. along Sheafe Street;
3. along Hammond Street within 200 feet of the northernmost point of the CHC Overlay District;
4. along Holly Lane provided that at least 25 feet of the ground floor along Holly Lane at the intersection with Boylston Street is Commercial Use with a minimum depth of 30 feet; and
5. along Tully Street provided that at least 25 feet of the ground floor along Tully Street at the intersection with Boylston Street is Commercial Use with a minimum depth of 30 feet.

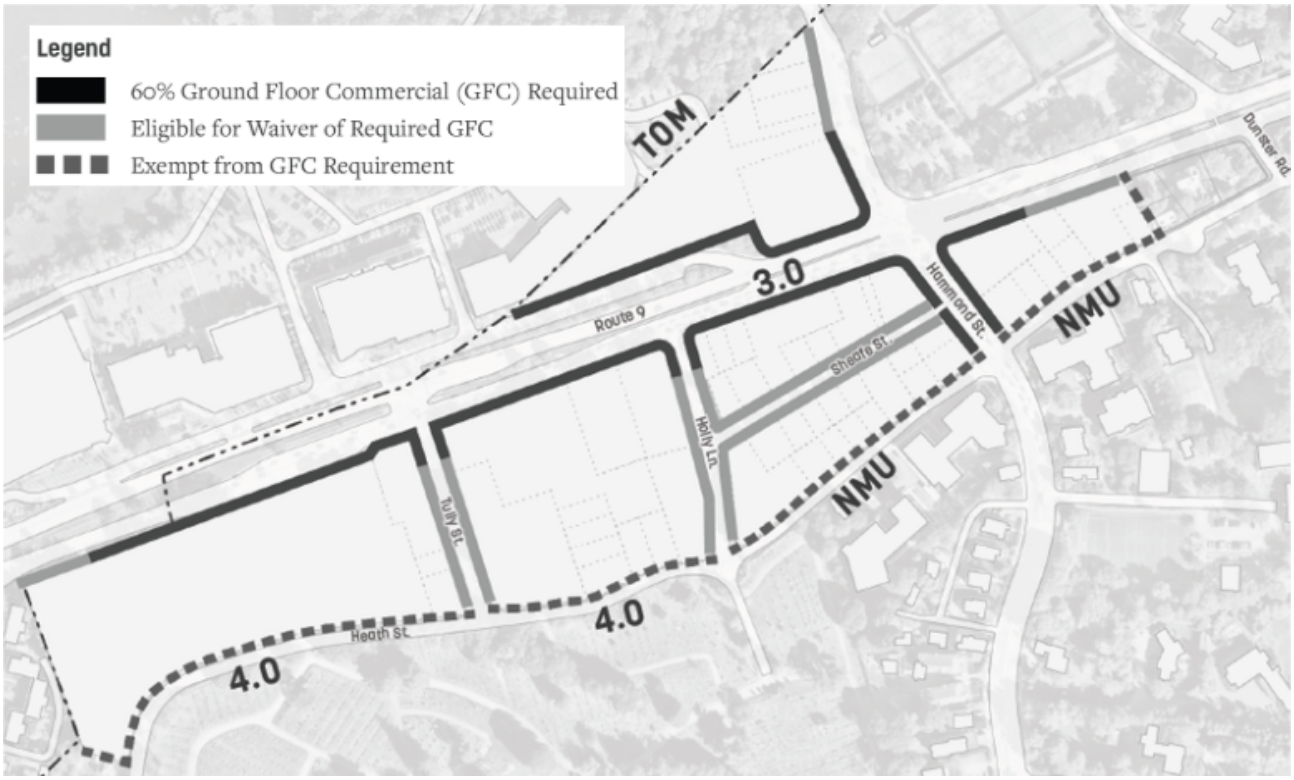


Figure 5.06.4.q.2: Ground Floor Commercial Requirements

c. Projects in the CHC-3 and CHC-4 Subdistricts shall comply with the following Minimum Commercial Use Requirements:
    i. Projects shall provide both in each phase of development as defined under Phased Development in the Sec. 5.06.4.q.3, as well as in the total

of any assembled parcels, an Effective Commercial Gross Floor Area Percentage, as defined in Sec. 5.06.4.q.3, of at least 51%.

ii. Fulfillment of the Minimum Commercial Use Requirement in Phased Development Scenarios: In cases where the Commercial Use requirement is met through the combination of separate buildings within the same Project, the temporary or permanent certificate of occupancy for a building or a portion of the building first constructed cannot be issued until the developer has provided evidence to the Director of the Planning & Community Development of financing as well as evidence to the Building Commissioner of Breaking Ground on the building or buildings with the remaining amount of commercial square footage needed to comply with the Minimum Commercial Use Requirements and any bonus threshold included in the Special Permit application.

    1. For Projects in the CHC-4 Subdistrict with a combined Gross Square Footage of 300,000 or less, the requirements to provide evidence of financing and of Breaking Ground before receiving a temporary or permanent Certificate of Occupancy for the earlier building constructed may be temporarily waived through an agreement with the Town through its Select Board. Such an agreement may allow up to five years between issuance of the final Certificate of Occupancy for the first building and Breaking Ground on the building or buildings with the remaining required amount of commercial square footage. Prior to submittal of any application for a Special Permit under this subsection, the applicant shall submit evidence of this temporary waiver to the Zoning Board of Appeals.

iii. Maintenance of Required Commercial Uses: Once established, the Gross Floor Area devoted to Commercial Use shall be maintained for the life of the building. Conversion of a space from Commercial Use to non-commercial use shall be allowed only if the amount of the displaced Gross Floor Area devoted to Commercial Use is relocated elsewhere in the same Project and the Effective Commercial Gross Floor Area does not fall below the minimum or bonus threshold (if applicable) required for the Project. This provision does not apply to required Ground Floor Commercial Uses.

3) Definitions

Refer to Section 2 of the Zoning By-Law for any capitalized term used in this Section 5.06.4.q that is not included below or defined elsewhere in Section 5.06.4.q.3:

a. **Bioswale:** Swales that use vegetation and an engineered media beneath the swale to improve water quality, reduce the runoff volume, and modulate the peak runoff rate, usually located adjacent and parallel to lengths of impervious area to collect sheet flow of runoff.
b. **Breaking Ground**: The initial disturbance of surface materials associated with clearing, grading, or excavating activities or other construction activities; the placement of or mobilization for construction activities including but not limited to placing materials, machinery, supplies, or construction equipment on the Site and removing and disconnecting of utilities or water or sewer lines; and/or any alteration, demolition, repair, or improvements to a building or structure.
c. **Commercial Use**: Any use other than Residential (Uses #1 through 4), Utilities & Communication Use #29, and Accessory Uses.
d. **Contiguous Land Area**: A single, unified expanse of land in which all lots are physically connected to one another by shared boundaries or points of contact, such that the area functions as one continuous site for the purposes of development under the CHC Overlay District Zoning requirements.
e. **Cool Roof:** Roofs designed to reflect more sunlight than a conventional roof.
f. **Development Plan**: A plan illustrating the full build-out of a Project, including all proposed buildings, uses, circulation, utilities, open space, and phasing, as submitted in support of a Special Permit application.
g. **Green Roof:** A permanent rooftop planting system containing live plants in a lightweight engineered soil medium.
h. **Green Infrastructure:** Measures that use plant or soil systems, other permeable surfaces and substrates, stormwater harvest and reuse, or landscaping to reduce the current and future impacts of climate change.
i. **Effective Commercial Gross Floor Area Percentage**: The minimum percentage of commercial area required to utilize the CHC-3 and CHC-4 Subdistrict overlay zoning, as well as any density or height bonuses available in those subdistricts, shall be calculated by applying the following Effective Factors to the Gross Floor Area in the numerator, but not the denominator:

    a. Effective Factor of 1.5 for: Hotel Use (Use #5), Event or Conference Center Facilities (Use #27); Laboratory Use (Use #23); and Retail, Restaurant, & Consumer Services not exceeding 2,500 square feet of Gross Floor Area (Use #19).

b. Effective Factor of 1.25 for: Retail Use #20 or 21 (i.e. Other Retail, Restaurant, & Consumer Services with 2,500 to 9,999 square feet); and Medical Office Use #6, not including Veterinary Office.

For example, an application with 200,000 square feet of Gross Floor Area of Residential Uses and 200,000 square feet of Gross Floor Area of Hotel Use would have a 75% Effective Commercial Ratio:

[1.5 x (200,000 sq. ft of Hotel Use)] / 400,000 sq. ft. of Total Gross Floor Area = 75%

j. **Open Space, Large Site**: Projects in the CHC-4 Subdistrict with a combined Lot Area of 2 acres or greater, which are subject to Large Site Review Criteria under Sec. 5.06.4.q.8, shall be required to provide usable open space located at ground level that meet all of the following conditions:
   a. Is conspicuously visible from at least one right-of-way;
   b. Is at least 4,000 contiguous square feet no less than 40 feet in any dimension;
   c. Is not restricted in access or visibility by fences or walls; and
   d. Contains activating public amenities including, but not limited to, benches, picnic tables, playground equipment, public art, shade structures or tree canopy, water fountains or features, multipurpose or performance spaces, or similar amenities with clearly articulable public benefits. Such public amenities shall be located at a minimum of every 900 square feet.
   e. Provides at least one publicly accessible pedestrian passageway interior to the Project's site between the Project's buildings that establishes a pedestrian connection between Heath Street and Boylston Street. This Heath-Boylston Street pedestrian connection shall meet the Department of Public Works' standards for safe pedestrian access, especially where this pedestrian connection intersects with interior vehicular driveways or parking areas.

k. **Open Space, Landscaped:** For the purposes of Sec. 5.06.4.q only, Landscaped Open space is defined as the part or parts of a lot at ground level designed and developed for pleasant appearance in trees, shrubs, ground covers and grass, including other landscaped elements such as natural features of the site, walks and terraces. Such space may not include Lot Area used for parking, access drives or other hard surfaced areas, except walks, and terraces as noted above, designed and intended for non-vehicular use.

l. **Open Space, Usable**: For the purposes of Sec. 5.06.4.q only, Usable Open space is defined as the common or private outdoor space designed, accessible, and dimensioned for meaningful recreation by occupants of the principal use. Such space may include lawns, landscaped courtyards, balconies, roof decks, or ground-level space open to sky, excluding shading devices, but shall not serve as required vehicular access, parking, or service space. The dimensions of common areas on the ground-level or roof decks shall be a minimum of 15 feet wide by 15 feet deep. Private balconies shall have a minimum of depth of 5 feet.

m. **Phased Development**: A coordinated development approach whereby the total project is implemented over time through a series of interrelated phases, the timing, sequencing, and scope of which are outlined in the Special Permit application, that collectively fulfill the zoning overlay requirements, approved Special Permit requirements, and public benefit commitments.

n. **Pollinator Garden or Pathway:** A garden or pathway of at least 50 square feet comprised primarily of native plants with high-habitat and foraging value for local pollinator species throughout the entire year.

o. **Project**: A coordinated development proposal on a Contiguous Land Area within the same subdistrict in Chestnut Hill Commercial Overlay Zoning District, subject to Special Permit approval, involving one or more buildings or uses that may be constructed in phases and located on one or more contiguous lots under common ownership or control. A Project may be constructed in phases; however, all buildings, uses, and phases shall be depicted on a Development Plan submitted as part of a single Special Permit application. Minimum lot area, dimensional, and use requirements applicable within the Overlay District shall apply to the Project site as a whole at the time of Special Permit approval. However, development proposals within the CHC-4 Subdistrict may include non-contiguous lots as long as all other zoning requirements are met.

p. **Rain Gardens**: Specially designed planted depressions in the ground that collect, filter, and treat stormwater.

q. **Other Retail, Restaurant, and Consumer Services:** Establishments primarily serving local business needs of residents in the vicinity, including: *retail* uses not limited to food store, variety, clothing, hardware, book, flowers, drugs; *eating places* not limited to restaurant, place for the sale and consumption of beverages, ice cream and the like; *service-based businesses* not limited to barber, beauty shop, laundry and dry-cleaning, shoe repair, tailoring, or other similar use; *arts and education-based uses* not limited to painting or pottery classes, music or dance/movement classes, or other academic enrichment classes. Distribution centers or warehouses

are not included. *Live entertainment and dancing* shall only be allowed in establishments of 5,000 square feet or more of Gross Floor Area.

4) Procedures

Any applicant may seek relief under the CHC Overlay District by Special Permit per § 9.03, and the procedures and standards described in § 5.09 Design Review.

5) Affordable Housing

In addition to being subject to § 4.08 Affordable Housing Requirements, Projects proposed under the CHC-NMU Subdistrict with at least 50% Affordable Housing Units may seek an Affordable Housing height bonus.

6) Table of Use Regulations

Any proposed building shall be allowed to have more than one principal use. For example, a restaurant may be located in the same building as a permitted medical office use or an event and conference facility may be located in a hotel without being considered an accessory use. Accessory Uses incidental to and on the same lot as a principal use are also allowed. Unless otherwise specified in a condition of a Special Permit, uses denoted in Table 5.06.4.q.1 as "Allowed" may be interchanged with other "Allowed" uses without a modification to the Special Permit Decision, but any change of uses must comply with the Minimum Commercial Use Requirements in Section 5.06.4.q.2.c.

TABLE 5.06.4.q.1: PRINCIPAL USES
(No = Not Allowed, Yes = Allowed, SP = Special Permit Required)

	#	Use Category	CHC-4	CHC-3	CHC-NMU	CHC-TOM
Residential Uses	1	Residential, four to eight Dwelling Units within a Building	No	No	Yes	No
	2	Residential, greater than eight Dwelling Units within a Building	Yes	Yes	Yes	Yes
	3	Life care facilities, incorporating independent apartment living units with kitchens combined with supportive medical, nursing, or other shared facilities (note: property owners may *choose* to restrict housing by age as allowed by state and	SP	SP	SP	SP

		federal laws with respect to fair housing, but it is not a requirement of the CHC Overlay District)				
	4	Licensed hospital or other establishment for the care of sick, disabled, or convalescent persons without independent living units including kitchens	No	No	No	No
Hotel Uses	5	Hotel or Limited Service Hotel	SP	SP	SP	SP
Office Uses	6	Medical or Veterinary Office, including: aesthetic, medical, or dental procedures requiring a license. Also includes laboratories incidental thereto. Does not include overnight boarding of pets for non-medical reasons.	Yes	Yes	Yes	Yes
	7	Other business, professional, or office use	Yes	Yes	Yes	Yes
Automotive Uses	8	Gasoline station or car washing facility	No	No	No	No
	9	Sale, rental, repair, or storage of automobiles or other motor vehicles of greater than three wheels, or of tires or other motor vehicle accessories	No	No	No	No
	10	Other drive-in or drive-through use	No	No	No	No
Retail, Restaurant, and Consumer Services	11	Bank	Yes	Yes	SP	Yes
	12	Storage, self-storage, warehouse, wholesale, jobbing, or distributing establishment	No	No	No	No
	13	Marijuana cultivation, manufacture, delivery, storage, testing, recreational or medical sales, or social consumption	No	No	No	No
	14	Entertainment and recreational facilities, including but not limited to bowling alley, theater, and concert hall but not including adult entertainment facilities, provided that such use is housed in a structure sufficiently sound-insulated so as to protect the neighborhood from inappropriate noise in any season	SP	SP	SP	SP
	15	Health and fitness club not exceeding 2,500 square feet of Gross Floor Area	Yes	Yes	Yes	Yes
	16	Health and fitness club exceeding 2,500 square feet of Gross Floor Area	Yes	Yes	SP	Yes
	17	Firearm business uses	No	No	No	No
	18	Mortuary, undertaking, or funeral establishment	No	No	No	No

	19	Other Retail, Restaurant, & Consumer Services as defined in § 5.06.4.q.3 not exceeding 2,500 square feet of Gross Floor Area	Yes	Yes	Yes	Yes
	20	Other Retail, Restaurant, & Consumer Services as defined in § 5.06.4.q.3 with 2,500 to 4,999 square feet of Gross Floor Area	Yes	Yes	Yes	Yes
	21	Other Retail, Restaurant, & Consumer Services as defined in § 5.06.4.q.3 with 5,000 to 9,999 square feet of Gross Floor Area	Yes	Yes	SP	Yes
	22	Other Retail, Restaurant, & Consumer Services as defined in § 5.06.4.q.3 with 10,000 to 65,000 square feet of Gross Floor Area, with a ground floor not to exceed 22,000 square feet of Gross Floor Area with the exception of grocery store uses, which shall not exceed 30,000 square feet of Gross Floor Area on the ground floor.	SP	SP	No	SP
Laboratory Use	23	Research and Development Laboratory. A facility for scientific or medical research, testing, and prototype development in one or more scientific fields, including, but not limited to, life sciences, biotechnology, biomedical research, robotics, medical devices, photonics, or climate technology. Research and Development Laboratory may include a research laboratory for scientific or medical research with a Biosafety Level of Level 1 or Level 2, as defined by and subject to all applicable requirements of the U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, and National Institutes of Health (but shall not include Biosafety Level 3 or higher laboratories).	SP	SP	No	No
Industrial Uses	24	Brewery or winery	SP	SP	No	SP
	25	Plumbing shop, carpentry shop, other similar service or repair establishment	SP	No	No	SP
	26	Other industrial or manufacturing uses	No	No	No	No
Other Uses	27	Event center or conference facilities with an occupancy no greater than 600 persons	SP	SP	No	SP

	28	Data centers: Facilities primarily used for the housing, operation, and maintenance of computer servers, data storage systems, and related equipment, including associated mechanical, electrical, and cooling infrastructure, for the processing, storage, and distribution of electronic data.	No	No	No	No
	29	Utilities & Communication uses described as Uses 40 through 41 in Use Table 5.01, except no Large Dish Antenna (Use 40B) shall be permitted	Yes	Yes	Yes	Yes

TABLE 5.06.4.q.2: ACCESSORY USES (No = Not Allowed, Yes = Allowed, SP = Special Permit Required)						
	#	**Use Category**	**CHC-4**	**CHC-3**	**CHC-NMU**	**CHC-TOM**
Automotive Uses	30	Underground or structured parking garage or surface-level parking area located within 600 feet of the Principal Use.	Yes	Yes	Yes	Yes
	31	Electric Vehicle Charging Hub. Public or private parking space(s) served by battery charging equipment for the purpose of transferring electric energy to an Electric Vehicle's battery or energy storage device.	Yes	Yes	Yes	Yes
Other Uses	32	Accessory Dwelling Units, Short-Term Rentals, Residential-based businesses and Daycares, Non-Commercial Greenhouse, Ground-Mounted Solar, and Swimming Pool Accessory Uses as described in Use Table 5.01 as Accessory Uses 51B, 51C, and 58 through 62.	Yes	Yes	Yes	Yes

7) Building Envelope

This section describes the three-dimensional space within which all building construction must occur.

a. Floor Area Ratio (FAR):

i. In the CHC-4 Subdistrict, the maximum Floor Area Ratio is 4.0.
ii. In the CHC-3 Subdistrict, the maximum Floor Area Ratio is 3.0, however Projects with at least 90% of the required parking located below grade shall receive a bonus maximum FAR of 4.0.

TABLE 5.06.4.q.3: MAXIMUM FLOOR AREA RATIO (FAR)		
	Maximum FAR	Bonus FAR
CHC-4	4.0	
CHC-3	3.0	4.0
CHC-NMU	n/a	
CHC-TOM	n/a	

b. Setbacks
i. Setback requirements indicated with an asterisk in Table 5.06.4.q.4 may be reduced by Special Permit.

TABLE 5.06.4.q.4: BUILDING SETBACKS					
Depth of Setbacks from the lot line fronting on the streets or boundaries listed below to the building façade:	**CHC-4**		**CHC-3**	**CHC-NMU**	**CHC-TOM**
	West	**East**			
Westernmost Border of the CHC Overlay District as shown in Figure 5.06.4.q.3	40’ min	n/a	n/a	n/a	n/a
Southwestern-most Border of the CHC Overlay District as shown in Figure 5.06.4.q.3	25’ min	n/a	n/a	n/a	n/a
Easternmost Boundary of the CHC Overlay District as shown in Figure 5.06.4.q.4	n/a	n/a	n/a	10’ min*	n/a
Heath Street	25’ min	25’ min*	n/a	5’ min	n/a
Boylston Street	10’ min* 55’ max	10’ min*	10’ min*	5’ min	10’ min*

Hammond Street	n/a	n/a	5’ min	5’ min	5’ min
Tully Street	10’ min*	10’ min*	n/a	n/a	n/a
Holly Lane	n/a	10’ min*	10’ min*	10’ min*	n/a
Sheafe Street	n/a	n/a	5’ min	5’ min	n/a
Northernmost Border of the CHC Overlay District as shown in Figure 5.06.4.q.4	n/a	n/a	n/a	n/a	5’ min*
**May be reduced by Special Permit.*					

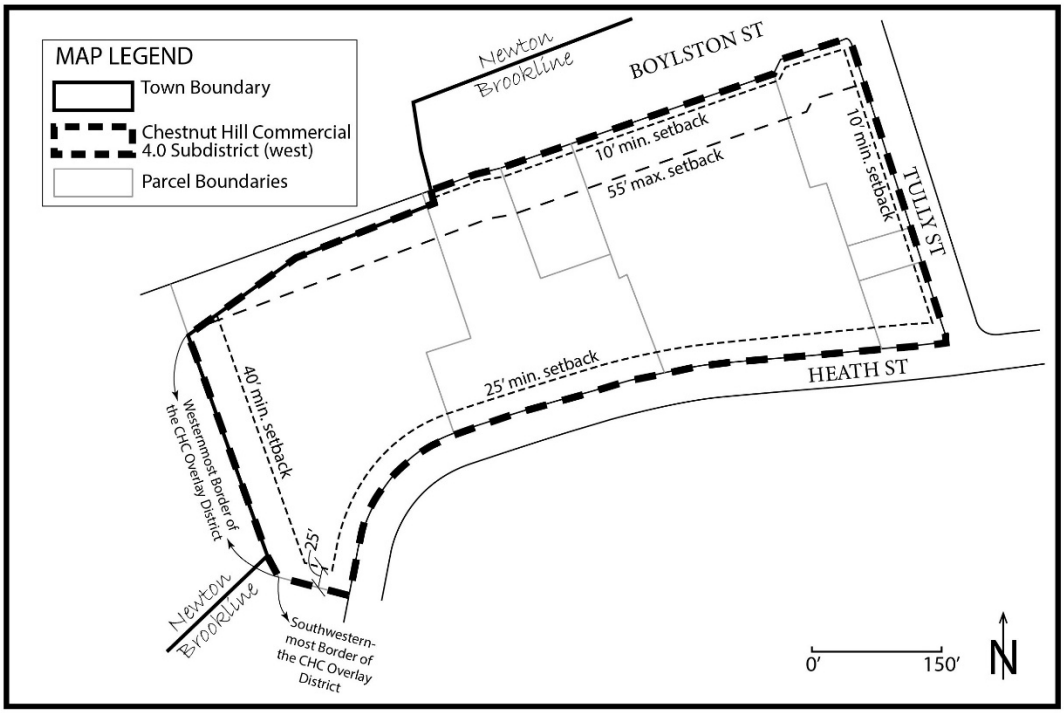


Figure 5.06.4.q.3: Building Setbacks Diagram for the CHC-4 Subdistrict

c. Space between buildings:

In the CHC-4 Subdistrict, a Project with more than one building three stories or taller that are not separated by a Town-owned public right-of-way shall have at least 25 feet of space between the Project’s buildings and at least 25 feet of space between the Project’s buildings and Lot lines perpendicular to Boylston Street.

d. Maximum Building Height & Step Backs

Building height is measured as the vertical distance from the average finished ground level at the facade(s) to the top of the structural beam or joists at the uppermost story. Height restrictions shall apply to all portions of a structured parking area or building, excepting rooftop equipment including but not limited to elevator penthouses, mechanical equipment enclosures, water tanks and towers, and cooling towers, given that such equipment is appropriately screened as provided in §5.31.1 and §5.75.3.

Maximum Building Heights are specified in TABLE 5.06.4.q.5: Maximum Building Height.

Other relief by Special Permit under §5.43, §5.21 and §5.32 shall not apply to the CHC Overlay District.

TABLE 5.06.4.q.5: MAXIMUM BUILDING HEIGHT

	CHC-4	**CHC-3**	**CHC-NMU**	**CHC-TOM**
Maximum Building Height	150’	88’	50’	88’
Maximum Building Height with Bonus, as described in Section 5.06.4.q.7.d.i	175’	-	75’	-
Within 170’ of the westernmost boundary of the study area; within 60’ of the easternmost boundary of the CHC-4 Subdistrict; and within 30’ of Tully Street, as shown in Figure 5.06.4.q.4	88’	-	-	-
Within 170’ of the northernmost point of the CHC-TOM Subdistrict, as shown in Figure 5.06.4.q.4	-	-	-	75’



Figure 5.06.4.q.4: Maximum Building Height by Subdistrict

i. Maximum Building Height Bonuses:

1. In the CHC-4 Subdistrict, as outlined in TABLE 5.06.4.q.5, bonus height shall be awarded in such cases wherein the relevant phase of development achieves an Effective Commercial Gross Floor Area Percentage of at least 60%, as confirmed by the Director of Planning & Community Development. Bonus height shall not be awarded within 170' of the westernmost boundary of the study area, 60' of the easternmost boundary of the CHC-4 Subdistrict, or within 30' of Tully Street.
2. In the CHC-NMU Subdistrict, as outlined in TABLE 5.06.4.q.5, bonus height shall be awarded to Projects that:
    a. include Hotel (Use #5 in Table 5.06.4.q.1) as the predominant use, or
    b. receive a favorable recommendation from the Housing Advisory Board based on the provision that at least 50% of a Project's residential units are affordable and that those units are in compliance with the income-related affordability guidelines pertaining to this affordable housing bonus incentive, which shall be developed by the

Housing Advisory Board and approved by the Planning Board.

ii. Building Step Backs:

1. Required Building Step Backs, which are measured from the primary building façade at-grade, are outlined in Table 5.06.4.q.4.
2. The following step backs may be reduced by 5 feet by Special Permit:
    a. In the CHC-4 Subdistrict, Boylston Street step backs at Story 3 or 4 and Story 7 or 8; and
    b. In the CHC-NMU Subdistrict:
        i. Heath Street step back at Story 4.
        ii. Eastern Boundary of the Study Area step back at Story 3 or 4.

TABLE 5.06.4.q.6: BUILDING STEP BACKS

Depth of Step Backs from Facades Facing:	Above Story	CHC-4	CHC-3	CHC-NMU	CHC-TOM
Heath Street	1 or 2	-	n/a	-	n/a
	3 or 4*	**10 ft.**	n/a	***10 ft. above Story 4**	n/a
	7 or 8	**20 ft.**	n/a	n/a	n/a
Boylston Street	1 or 2	-	-	-	-
	3 or 4	**10 ft.**	-	-	-
	7 or 8	**20 ft.**	-	-	-
Hammond Street	1 or 2	n/a	-	-	-
	3 or 4	n/a	-	-	-
	7 or 8	n/a	-	-	-
Tully Street	1 or 2	-	n/a	n/a	n/a
	3 or 4	-	n/a	n/a	n/a
	7 or 8	-	n/a	n/a	n/a
Holly Lane	1 or 2	-	-	-	n/a
	3 or 4	-	-	-	n/a
	7	-	-	-	n/a
Sheafe Street	1 or 2	n/a	-	-	n/a
	3 or 4	n/a	-	-	n/a
	7 or 8	n/a	-	-	n/a

Easternmost Border of the Study Area as shown in Figure 5.06.4.q.4	1 or 2	n/a	n/a	-	n/a
	3 or 4	n/a	n/a	**10 ft.**	n/a
	7 or 8	n/a	n/a	-	n/a

e. Massing Modulation Requirements:
   i. Building facades 200 feet or longer shall employ at least one or more architectural elements, such as insets, courtyards, or bays, as outlined in the design guidelines applicable to this overlay district.
   ii. In the West block of the CHC-4 Subdistrict, buildings longer than 200 feet shall employ inset breaks in the massing for a minimum of 30% of any facade facing Boylston Street or Heath Street. The depth of insets along Boylston Street should be a minimum of 15 feet from the primary building facade at grade, and the depth of insets along Heath Street should be a minimum of 65 feet from the primary building facade at grade.

8) Large Site Review Criteria
For Projects that total at least 2 acres or more of Contiguous Land Area, Large Site Review Criteria outlined in the design guidelines applicable to this overlay district shall apply.

9) Floor-to-Floor Heights
The minimum finished floor-to-floor height for all ground floor levels with commercial space is 15 feet. The minimum finished floor-to-floor height for all other levels is 10 feet for floors devoted to Underground or Structured Parking (Use #30) and 10.5 feet for all other uses.

10) Blank Wall Treatment
Blank walls with length greater than 16 feet shall apply at least one of the following treatments such that no portion of the untreated blank wall exceeds 8 feet along Boylston Street or Hammond Street, nor exceeds 16 feet in length along any other Street, Usable Open Space, or Large Site Open Space:
   a. Graphics, such as signage, mural, and/or other art installation.
   b. Surface texture with projection or recession of at least 2 inches.

c. Living plant material such as a green/living wall, and/or plants of sufficient height to screen the blank wall rooted in the ground or in planters.

11) Parking for Vehicles and Bicycles

a. Vehicular parking requirements for Projects proposed under the CHC Overlay District shall be as follows, superseding any conflicting requirements under Article 6:

TABLE 5.06.4.q.7: VEHICULAR PARKING REQUIREMENTS				
Per Dwelling Unit of Residential Uses, per Room of Hotel Uses, or per 1,000 Gross Floor Area of other Uses	**CHC-4 Min-Max**	**CHC-3 Min-Max**	**CHC-NMU Min-Max**	**CHC-TOM Min-Max**
General Office Use #7	0.5 - 3.0	0.5 - 3.0	0.5 - 3.0	0.0 - 1.0
Medical Office Use #6	1.5 - 4.0	1.5 - 4.0	1.5 - 4.0	0.5 - 2.0
Hotel Use #5	0.5 - 1.0	0.5 - 1.0	0.5 - 1.0	0.0 - 0.75
Conference / Event Facilities Use #27	0.5 - 4.0	0.5 - 4.0	N/A	0.5 - 2.0
Laboratory Use #23, Industrial Uses #24-25, Accessory Uses #32	0.5 - 1.25	0.5 - 1.25	N/A	0.0 - 0.75
Residential Uses #1-3				
Studio	0.0 - 1.0	0.0 - 1.0	0.0 - 1.0	0.0 - 0.5
1-Bedroom	0.0 - 1.0	0.0 - 1.0	0.0 - 1.0	0.0 - 1.0
2-Bedroom	0.5 - 2.0	0.5 - 1.5	0.5 - 1.5	0.0 - 1.0
>2-Bedroom	0.5 - 2.0	0.5 - 2.0	0.5 - 2.0	0.0 - 1.5
Retail, Restaurant & Consumer Services				
Uses #11-19	0.0 – 3.5	0.0 – 3.5	0.0 – 3.5	0.0 - 1.0
Use #20	0.5 – 3.5	0.5 – 3.5	0.5 – 3.5	0.0 - 1.5
Uses #21 and 22	0.5 – 3.5	0.5 – 3.5	N/A	0.0 - 2.0

b. The number of Vehicular or Bicycle Parking Spaces required in a common parking facility may be reduced below the sum of each use's requirement by Special Permit if it can be demonstrated to the Zoning Board of Appeals that the hours or days of peak parking need for the uses are so different that a lower total will provide adequately for all uses served by the relevant facilities. A shared-use parking demand analysis and an operations coordination plan that meet the data requirements specified in the Engineering and Transportation Division's Standards, shall demonstrate to the satisfaction of the Transportation Division that the respective peak parking demands for each use do not coincide.

c. Vehicular and bicycle parking minimums may be decreased by 30% only for permanently age-restricted dwelling units.

d. Vehicular parking maximums may be increased by 20% by Special Permit following positive recommendation by the Director of Engineering and Transportation or their designee and subject to conditions to mitigate any traffic impacts.
e. For Parking Lot Design Standards only, § 6.01, 6.03 and 6.04 shall apply, except that overnight parking may be restricted to residential uses and individual residential parking spaces may be designated. Additionally:
    i. no more than 2% of the total number of vehicular surface parking spaces may be designated for four or more hours of occupancy;
    ii. the exterior boundary of parking structures shall screen the full height of each parking level, although such screening may be permeable for ventilation purposes; and
    iii. parking structure ventilation shall be designed to minimize impact to Dwelling Units.
f. For Bicycle Parking Definitions and Design Standards only, Section 6.05 shall apply.
g. For the number of bicycle parking spaces required, Table 5.06.4.q.8 Bicycle Parking Requirements supersedes § 6.05. For Bicycle Parking Definitions and Design Standards only, § 6.05 shall apply.
h. Short-Term Bicycle Parking Spaces shall be located outside of the building footprint and easily identified by visitors to the Project.

TABLE 5.06.4.q.8: BICYCLE PARKING REQUIREMENTS				
LT = Long-Term Bicycle Parking Space **ST = Short-Term Bicycle Parking Space**				
Per Dwelling Unit of Residential Uses, per Room of Hotel Uses, or per 1,000 Gross Floor Area of other Uses	**CHC-4** Min	**CHC-3** Min	**CHC-NMU** Min	**CHC-TOM** Min
General or Medical Office Uses #6 and 7	0.25 ST	0.25 ST	0.25 ST	0.5 ST
Laboratory Use #23, Industrial Uses #24-25, Accessory Uses #32	0.25 ST	0.25 ST	N/A	0.5 ST
Hotel Use #5	0.05 ST	0.05 ST	0.05 ST	0.05 ST
Conference / Event Facilities Use #27	0.05 ST	0.05 ST	n/a	0.05 ST
Residential Uses #1-3				
Studio	0.1 ST / 0.15 LT	0.1 ST / 0.15 LT	0.1 ST / 0.15 LT	0.1 ST / 0.25 LT
1-Bedroom	0.1 ST / 0.15 LT	0.1 ST / 0.15 LT	0.1 ST / 0.15 LT	0.1 ST / 0.25 LT
2-Bedroom	0.1 ST / 0.15 LT	0.1 ST / 0.15 LT	0.1 ST / 0.15 LT	0.1 ST / 0.25 LT

>2-Bedroom	0.25 ST / 0.25 LT	0.25 ST / 0.25 LT	0.25 ST / 0.25 LT	0.25 ST / 0.5 LT
Retail, Restaurant & Consumer Services				
Uses #11-19	0.25 ST	0.25 ST	0.25 ST	0.5 ST
Use #20	0.5 ST	0.5 ST	0.5 ST	0.75 ST
Uses #21-22	0.5 ST	0.5 ST	n/a	0.75 ST

12) Pedestrian Circulation

a. In the CHC-4 Subdistrict, in the case of contiguous parcels located between Boylston Street and Heath Street with frontage on both streets, reasonable and efficient ADA-accessible, public pedestrian path providing through-access must be provided and maintained between these two public rights-of-way at an interval not exceeding 250 feet along either right-of-way. No through-access, ingress, or egress located within 30 feet of Tully Street may satisfy the requirements of this subsection. For reference, see examples of through-block connections indicated in the zoning envelope diagrams in the design guidelines applicable to this zoning overlay.
b. In the CHC-TOM Subdistrict, a reasonable and efficient, ADA-accessible public pedestrian path providing through-access between Boylston Street and Hammond Street must be provided and maintained. Through-access or points of ingress or egress shall not be within a 170 feet radius of the northwestern corner of the Boylston and Hammond Street intersection.

13) Vehicular Circulation

Vehicular Access Restrictions on Heath Street: No new curb cut, driveway opening, or vehicular access point shall be permitted along the Heath Street frontage of any lot or parcel located within the West block of the CHC-4 Subdistrict, except for emergency vehicle access pending review and approved by the Director of Engineering & Transportation or their designee.

14) Open Space

The following open space standards shall be required in lieu of any open space requirement listed in Table 5.01.

a. For Projects in the CHC-NMU and CHC-3 Subdistricts, the minimum on-site Usable Open Space shall be 25 square feet per Dwelling Unit.
b. For Projects the CHC-TOM Subdistrict: A minimum of 10% of the Lot Area shall be dedicated as Landscaped Open Space, including landscaping or vegetative

buffers, of which hard surfaced walks and terraces may not exceed 50 percent of the total required Landscaped Open Space.

c. For Projects the CHC-4 Subdistrict:
    i. A minimum of 15% of the combined Lot Area shall be dedicated as Landscaped Open Space, including landscaping or vegetative buffers, of which hard surfaced walks and terraces may not exceed 30 percent of the total required Landscaped Open Space.
    ii. For Projects with a combined Lot Area of 2 acres or greater, an additional 5% of the Lot Area shall be dedicated as Large Site Open Space.
    iii. For Projects with a combined Lot Area of less than 2 acres, the minimum on-site Usable Open Space shall be 25 square feet per Dwelling Unit.

15) Tree Canopy & Sustainable Site Measures

Projects under the CHC Overlay shall enhance the Town's tree canopy through fulfillment of the following requirements.

a. Preserved or newly planted trees, which shall be planted and healthily maintained, including adequate watering during establishment, shall be sufficient to create mature canopy coverage equal to the following minimum Lot Area, based on the size of the Lot, as follows:

TABLE 5.06.4.q.9: TREE CANOPY REQUIREMENTS

Lot Size	**Minimum Percent of Lot as Tree Canopy**
<1 acre	2%
1 – 1.5 acres	5%
1.5 – 2 acres	9%
2 acres or greater	15%

b. If approved by the Tree Warden, an applicant may offset a square foot of tree canopy requirements by two square feet of tree canopy planted and maintained in the public way within 1,000 feet of the Chestnut Hill Commercial Overlay District.

c. For Projects less than 1 acre, the Tree Canopy requirement may be reduced if the Tree Warden agrees that the design of included Green Infrastructure methods provides a similar magnitude of at least two of the following tree canopy functions: reducing urban heat island effects, managing stormwater runoff beyond what is otherwise required, providing a carbon sink, or providing wildlife habitat or forage materials. The design may include, but is not limited to,

the provision of Green or Cool Roofs, Pollinator Gardens or Pathways, Bioswales, and Rain Gardens.

d. For Projects greater than 1 acre, as an alternative or partial alternative to the tree canopy standards, a payment to the Town's Tree Planting fund may be made for up to half of the Tree Canopy requirement or 5% of the Lot Size, whichever is less. The monetary contribution to the Town's Tree Preservation Fund required for tree(s) equivalent to achieve the canopy requirements outlined in Section 5.06.15 shall be specified by the Department of Public Works.
e. Trees that are planted on-site may simultaneously count as mitigation related to other By-Laws such as the Tree Preservation Bylaw. However, any off-site tree planting or payment in lieu of this tree canopy standard shall not be also accounted for to comply with other By-Laws.

16) Pedestrian, Bicycle, Streetscape & Vehicular Infrastructure Improvements

Any applicant utilizing the CHC Overlay District shall devote no less than 2% of the hard construction cost of constructing its Project (including any building, site work, above ground or underground structures, but exclusive of tenant fit-up) to making off-site streetscape improvements (such as, but not limited to, intersection safety improvements, pedestrian-scale lighting, public art, street furniture) or public safety improvements (collectively, "Mitigation Work") within a quarter mile of the CHC Overlay District boundaries. In addition to review by the Planning Board, a plan of any proposed off-site improvements shall be submitted for the review and approval of the Director of Engineering & Transportation and the Director of Parks and Open Space or their designees. Alternatively, the applicant may make a financial contribution to the Town in an equivalent dollar amount to be used by the Town for such purposes.

For applications with projects over 100,000 square feet of non-residential space or 100 residential units, which will also be preparing a Transportation Impact Study and an Access Plan Agreement (which includes a specific mitigation plan, conditions, and an annual permit to monitor mode split and traffic conditions), the Mitigation Work value may be reduced to a number less than 2% but no less than 1.25% by an agreement with the Town through its Select Board, and recommended by the Director of Engineering & Transportation, if that agreement demonstrates that the Project and any off-site vehicular mitigation work separately provided by the applicant will fully offset all vehicular impacts directly caused by the project described in the application. In this case, funding based on the agreed upon percentage of hard construction costs shall be devoted to: (a) pedestrian, bicycle, and streetscape improvements; and (b) funds towards planning, designing, or implementing any pedestrian, bicycle, streetscape, or

vehicular infrastructure improvements that the town is pursuing within a quarter mile of the CHC Overlay District boundaries to mitigate the cumulative impacts of developments anticipated in the CHC Overlay District.

17) Design Standards and Guidelines

Design Standards and Guidelines are applicable to all Projects under the CHC Overlay District and shall be used as the review criteria by the Review Authority, the Planning Board. The Planning Board may modify the design guidelines, but not the standards reflecting requirements under the Zoning By-Law, applicable to the CHC Overlay District. Public notice and the opportunity for public comment shall be given prior to the Planning Board's adoption or amendment of the CHC Overlay District's design guidelines. In addition to any design guidelines adopted by the Planning Board for the CHC Overlay District, building façades parallel to or within 45 degrees of parallel to any property line shall be designed and constructed with equal care and quality.

18) Signage

For the campus-style development anticipated in the CHC-4 Subdistrict, and notwithstanding the requirements of Article VII, by Special Permit the Zoning Board of Appeals may adjust or waive applicable signage requirements following a review and favorable recommendation by the Planning Board affirming that proposed signage adequately conforms to the CHC Overlay District's design guidelines and would bear minimal impacts to surrounding residentially-zoned areas, in its determination.

5. **By amending § 5.21 – Exceptions to Maximum Floor Area Ratio Regulations (Public Benefits Incentives) – by adding the following language at the end of § 5.21.1 as follows:**

"Exceptions allowed under this section shall not be applicable to special permits under § 5.06.4.q – Chestnut Hill Overlay District."

6. **By amending § 5.32 – Exceptions to Maximum Height Regulations (Public Benefits Incentives) – by adding the following language at the end of § 5.32.1 as follows:**

"Exceptions allowed under this section shall not be applicable to special permits under § 5.06.4.q – Chestnut Hill Overlay District."

7. **By amending § 5.43 – Exceptions to Yard and Setback Regulations - by inserting language as underlined below, and deleting language shown in strikeout below.**

Under a special permit after a hearing of the Board of Appeals may permit, in lieu of the requirements for yards or setbacks specified in this By-law, the substitution of such other dimensional requirements as shall assure the same standard of amenity to nearby properties as would have been provided by compliance with the regulations of the By-law, as measured by

off-setting a reduction in the depth or area of a required yard or setback by an increase in the depth or area of another yard or setback or by the provision or preservation of a condition or a facility not otherwise required that will counterbalance such a reduction; provided, however, that under this section the Board of Appeals shall not:

1. reduce the depth of a required front yard below 15 feet in M Districts; nor

2. increase the maximum Building Depth, as defined in Sec. 5.93, in T-5(NH) Districts~~.~~; nor

3. apply exceptions to special permits under § 5.06.4.q – Chestnut Hill Overlay District.

… or act upon anything else relative thereto.

PETITIONER'S ARTICLE DESCRIPTION:

This article proposes to amend the Zoning By-Law by establishing a **Chestnut Hill Commercial (CHC) Overlay District** for portions of the Boylston Street corridor in the Chestnut Hill Commercial Area. The proposed overlay zoning is intended to establish a clear planning framework and vision for the area to ensure that future redevelopment in the Chestnut Hill Commercial Area strengthens the Town's commercial tax base and enhances the area's vitality.

Background

The proposed overlay zoning is informed by the Chestnut Hill Commercial Area Study, a staff-led planning initiative launched in 2024 by the Department of Planning and Community Development's Economic Development and Long-Term Planning Division. The study is rooted in the 2005 Comprehensive Plan's recommendations to develop a district plan for the Chestnut Hill Commercial Area, as well as zoning amendments allowing mixed-use development to support the expansion of the commercial tax base and affordable housing along Boylston Street in Chestnut Hill.

The Chestnut Hill Commercial Area Study's core objectives were to incentivize significant net new commercial tax growth, and to enhance the livability and identity of the commercial area.

Net new tax growth is critically needed in Brookline to help reduce the tax burden for existing residents, offset future tax increases, and fund municipal services. Since commercial properties generate more tax revenue per square foot, pay higher taxes, and typically require fewer municipal services than residential properties, focusing on opportunities to increase commercial development was a particular focus of the study. The potential to generate net new tax growth in the Chestnut Hill

Commercial Area is constrained by existing zoning, which does not adequately support economically viable redevelopment—particularly for projects that would expand commercial uses.

Study work was informed by the Chestnut Hill Commercial Area Study Community Advisory Group, the Economic Development Advisory Board's Chestnut Hill Commercial Area Study Ad-Hoc Subcommittee, and a series of public engagement opportunities, including more than 40 public meetings.

The study evaluated the feasibility of different policy recommendations, redevelopment scenarios, and infrastructure improvements aimed at improving the appearance, function, connectivity, and safety of the corridor, and identified strategies related to zoning, infrastructure improvements, and commercial area vibrancy intended to:

- Encourage mixed-use redevelopment;
- Increase commercial activity and tax revenue;
- Create a walkable commercial district;
- Support housing and transit-oriented development, and
- Ensure high-quality urban design and public spaces.

All of these objectives are integrated into the proposed overlay zoning policy and accompanying design guidelines for the Chestnut Hill Commercial Overlay District.

Chestnut Hill Commercial (CHC) Overlay Zoning Structure

The proposed overlay would establish an alternative zoning framework that property owners could choose to utilize instead of the underlying zoning. No changes to the existing base zoning are proposed, so development could continue under existing zoning regulations if the overlay is not used.

The overlay district is organized into four subdistricts, which are described below. The requirements for each subdistrict are tailored to different community priorities, surrounding context site conditions, and redevelopment potential within the study area.

CHC-4 Subdistrict

This subdistrict is intended for larger sites capable of accommodating mixed-use redevelopment with significant commercial activity and potential economic development impact. Other characteristics of the CHC-4 Subdistrict include:

- A minimum required amount of commercial square footage
- Height up to 150 ft (12 stories maximum); 175 ft (14 stories maximum) when utilizing bonus height for additional commercial use
- A Maximum Floor Area Ratio (FAR) of 4.0
- Significant landscaped open space and tree canopy requirements
- Campus-style sites featuring large, activated, publicly accessible open space intended to create attractive and comfortable gathering spaces lined and activated by ground floor retail

CHC-3 Subdistrict

This subdistrict is as a transition area between the larger redevelopment sites and the lower-scale eastern part of the study area. Like the CHC-4 Subdistrict, projects in the CHC-3 Subdistrict are also subject to a minimum commercial requirement. Other key CHC-3 Subdistrict characteristics:

- A maximum height of 88 ft (7 stories maximum)
- A Floor Area Ratio FAR of 3.0 with a 4.0 FAR bonus if parking located mostly underground

Neighborhood Mixed-Use (CHC-NMU)

This residential-focused subdistrict supports neighborhood-scale mixed-use development with ground-floor commercial uses along key stretches of Boylston Street and Hammond Street. Other key CHC-NMU Subdistrict characteristics:

- A maximum height up to 50 ft (4 stories maximum)
- A bonus height of up to 75 ft (6 stories maximum) for hotels, or for projects that provide at least 50% affordable housing units, creating an incentive for the production of affordable housing

Transit-Oriented Mixed-Use (CHC-TOM)

This subdistrict, located approximately 1,000 feet – less than a 5-minute walk - from the Chestnut Hill MBTA Green Line stop, supports a mix of residential and commercial uses appropriate for locations with convenient access to transit. Other key CHC-TOM Subdistrict characteristics:

- A maximum height up to 88 ft (7 stories maximum)
- Lower parking requirements
- Higher bike parking requirements
- Required open space for at least 10% of a project's lot area

Design Review Procedures and Design Guidelines

Projects seeking to utilize the overlay zoning would be subject to Special Permit review under Zoning By-Law Section 5.09 Design Review, which requires the Zoning Board of Appeals, with input from the Planning Board, to review the design, uses, and impacts of proposed developments. Pending final adoption from the Planning Board, the Chestnut Hill Commercial Area Design Guidelines & Standards will inform the Planning Board's review of projects proposed under the CHC Overlay. These design guidelines, created by consultant Sasaki and developed through the Chestnut Hill Commercial Area Study work as a companion to the overlay zoning, provide detailed design direction, visual interpretation, and public realm strategies to ensure redevelopment under the CHC Overlay produces a cohesive, walkable, and high-quality mixed-use district.

Overall, the purpose of the overlay is to provide a clear and predictable zoning framework that supports economic development, encourages mixed-use redevelopment, improves the public realm, and ensures that future development is carefully reviewed through the Town's existing Design Review and Special Permit procedures.

Strategies for Incentivizing Commercial Tax Growth

For the two commercial-oriented subdistricts, the CHC-3 and CHC-4, the overlay requires that at least 51 percent of a project's gross floor area be devoted to commercial uses. This minimum commercial requirement is a new zoning policy tool for the Town intended to ensure that redevelopment within the district contributes to Brookline's long-term goal of expanding its commercial tax base.

The zoning also includes provisions that encourage certain types of commercial uses with higher tax generation potential, such as hotels, medical offices, and research and development labs, by assigning them additional weight in calculating a project's commercial gross floor area. Ground floor commercial uses, such as retail and restaurants, are also incentivized. This approach is intended to promote commercial uses with greater economic development impact and support active ground floor uses that align with the needs of neighboring residents and contribute to the vitality of the district.

Additionally, ground floor commercial space is required along key streets, helping to maintain active, pedestrian-oriented streetscapes and reinforce the corridor's role as a commercial destination.

These commercial use requirements combined with adequate dimensional standards, particularly greater height and density allowances, and an expanded scope of allowed uses, especially the potential for more residential use, seek to maximize the commercial components of mixed-use redevelopment. The potential for additional residential density throughout the overlay district will be critical to support vibrant ground floor retail and 24-hour activation of the Chestnut Hill Commercial Area.

City Realty's Redevelopment Proposal for the Chestnut Hill Office Park

In parallel with this study process, City Realty, the owner of the Chestnut Hill Office Park, located at 1280-1330 Boylston Street in the proposed CHC-4 Subdistrict, has put forward a redevelopment proposal under the proposed CHC Overlay zoning. This uniquely large 5.3-acre property bordering the City of Newton is the largest redevelopment site along Boylston Street and the Town of Brookline's primary economic development opportunity.

City Realty's proposal, which evolved over time to align with the overlay zoning requirements, contains three buildings: a 14-story building with retail, parking, hotel and condos; a 12-story building with retail, parking, and medical offices; and a 7-story building with rental apartments and parking. A large plaza for gathering, outdoor seating, and other public benefits is proposed between the 14-story and 12-story buildings.

The proposal's 420,000 square feet of commercial space includes a 200-room hotel, event and conference space, medical office, and retail uses. Their proposal also includes 246 residential units. To meet the Town's Zoning By-Law Affordable Housing Requirements under Section 4.08, which will apply to all projects proposed under the CHC Overlay, City Realty will provide 21 on-site affordable rental units, and make a $10.93 million cash-in-lieu payment to the Town's Affordable Housing Trust for the luxury condo component of their proposal.

Upon project completion, this development is anticipated to have an estimated fiscal impact (i.e. total projected tax revenue less the cost of municipal services associated with that development) of $5.3 million to $7.4 million per year. The anticipated net new tax growth (i.e. estimated fiscal impact less approximately $1.1 million in annual property tax currently generated by 1280-1330 Boylston Street) is estimated to be $4.2 million to $6.3 million per year.

Companion Warrant Article

In addition to these anticipated tax generation benefits, the Select Board has negotiated a package of additional benefits and protections to the Town in the form of a Tax Certainty Agreement and a Memorandum of Agreement.

The Tax Certainty Agreement is a 95-year legally binding agreement between the Town and any owner of the Chestnut Hill Office Park. In the event that any part of the Chestnut Hill Office Park is ever sold to a tax-exempt nonprofit, such as a hospital or a higher education institution, the Tax Certainty Agreement will protect the property's continued contribution to the Town's tax base, as well as the excise taxes that will be generated by the proposed hotel.

The Memorandum of Agreement is a legally binding agreement that outlines a broad range of requirements for the landowner mitigating the impacts of new development and securing benefits to the public.

An additional Warrant Article was filed that, if passed, would authorize the Select Board to enter into these Memorandum of Agreement and Tax Certainty Agreement, which are contingent upon Town Meeting voting in favor of the Chestnut Hill Commercial Overlay District article and the Attorney General's approval.

FAQs

An FAQs document addressing questions raised during the warrant article review process will be available on the Chestnut Hill Commercial Area Study project page: https://www.brooklinema.gov/3716/Chestnut-Hill-Commercial-Area-Study.

Kara Brewton
Director

BROOKLINE
PLANNING & COMMUNITY DEVELOPMENT

Town Hall, 3rd Floor
333 Washington St.
Brookline, MA 02445
617-730-2130

March 17, 2026

Robert Muscaro
The Growth Companies, Inc.
1234 Boylston Street
Chestnut Hill MA 02467

Dear Bob,

Thank you for Growth Companies' continued participation in the Chestnut Hill Commercial Area Study process. The Town appreciates the time and effort that you and your team have devoted over the past several years to engaging with staff, Town boards, and the broader community. Throughout this process, we have sought to thoughtfully consider and incorporate the input and feedback that you have provided in helping to inform the proposed Chestnut Hill Commercial Overlay zoning.

The purpose of this letter is to seek clarification on several issues raised in your March 10 letter to the Select Board, as well as the redevelopment concept titled "*Brookline Rezoning Coordination Envelope Studies,*" which was shared with Select Board Members Michael Rubenstein, George Cole, and Janice Kahn and subsequently forwarded to staff by Select Board Member Rubenstein on February 25, 2026.

Before addressing those points, we wanted to briefly acknowledge Growth Companies' extensive engagement in the Town's ongoing efforts to advance rezoning along Boylston Street in Chestnut Hill:

- **September 2020:** Growth Companies presented a Conceptual Site Study for several properties along the south side of Boylston Street within the Chestnut Hill Commercial Area to the Economic Development Advisory Board, encouraging the Town to initiate a rezoning effort in Chestnut Hill.
- **October 2021:** After connecting with Boston College Real Estate Professor Edward Chazen through Economic Development Director Kara Brewton, Growth Companies engaged with a group of undergraduate student consultants developing a real estate development proposal for a group of commercial properties in Chestnut Hill.
- **March 2023 and October 2024:** Economic Development Division staff met with Growth Companies to provide updates on anticipated timelines and the potential scope of work for a rezoning study for the Chestnut Hill Commercial Area.
- **Spring 2024:** After the Chestnut Hill Commercial Area Study (CHCAS) process was

launched in March 2024, Growth Companies met with RKG Associates, the Town's real estate consultant for the project, as part of an effort to engage property owners—particularly larger commercial property owners—in the study process.

- **November 2024:** Growth Companies participated in a neighborhood meeting related to the Chestnut Hill Commercial Area Study.
- **2025:** Economic Development Division staff, then–Select Board Member Mike Sandman (Chair of the CHCAS Community Advisory Group), and Select Board Member Michael Rubenstein (after being elected in May 2025 and appointed as Select Board liaison to the CHCAS Community Advisory Group) met with Growth Companies on several occasions to discuss the study process and the emerging framework for the proposed zoning overlay. Additional exploratory meetings were also held in the summer and fall of 2025 with Economic Development Division staff and the Town's grant-funded Business Improvement District consultant, Ann Burke—one with Growth Companies and one jointly with Growth Companies and City Realty—to discuss the potential feasibility of establishing a future Business Improvement District (BID) in Chestnut Hill.
- **Community Advisory Group Meetings:** Growth Companies has attended nearly all staff-led Community Advisory Group meetings hosted throughout 2025 and 2026.
- **Economic Development Advisory Board (EDAB) CHCAS Ad-Hoc Subcommittee:** Growth Companies also participated in the majority of the EDAB Subcommittee meetings.

We sincerely appreciate the time and effort that Growth Companies has invested in these meetings, as well as the many follow-up conversations and email exchanges that have occurred throughout this process. The Town believes that the consistent engagement and good-faith communication demonstrated by both Growth Companies and Town representatives has created a strong foundation for continued collaboration as we work to realize the long-term potential of Chestnut Hill as a vibrant commercial district.

Growth Companies Redevelopment Interests

Over the past few years, staff have encouraged Growth Companies to share a potential redevelopment concept for its properties that could be evaluated under the draft Chestnut Hill Commercial Overlay zoning. Such a concept would help staff better understand how the proposed zoning framework may affect potential redevelopment scenarios and identify areas where adjustments may be appropriate.

In late 2025, you shared a variation of the proposal that was later forwarded to staff on February 25, 2026. That concept included only the Heath Street residential building. As presented, the concept would not be feasible under either the existing base zoning or the proposed overlay zoning, as it did not meet several of the proposed overlay requirements—most notably the minimum commercial requirement.

In the absence of a comprehensive redevelopment proposal for the broader site, staff have nevertheless attempted to address concerns you raised regarding development constraints related

to the Tully Street parking lot at 1268 Boylston Street. Several aspects of the proposed overlay zoning reflect accommodations requested by Growth Companies or are intended to address constraints that you have discussed with staff. These include:

- **Conditions for Applicability:** The Tully Street ground-floor commercial requirement may be waived provided that the corner at the intersection of Boylston and Tully Streets is wrapped with ground-floor commercial uses. This provision was added in response to Growth Companies' concerns regarding the feasibility of ground-floor retail along Tully Street.

- **Large Site Open Space Requirement:** The open space requirement was revised to apply only to projects of two acres or greater within the CHC-4 subdistrict. Projects smaller than two acres are provided greater flexibility in meeting usable open space requirements without requiring that such space be located at ground level.

- **Definition of "Project":** The zoning specifies that development proposals within the CHC-4 subdistrict may include non-contiguous lots provided that all other zoning requirements are met. This provision was added to help accommodate the potential future redevelopment of the Tully Street lot.

- **Setback Flexibility:** Setback requirements along Boylston Street and Tully Street may be reduced by Special Permit. This provision reflects discussions regarding the constrained dimensions of the Tully Street parking lot.

- **Boylston Street Stepbacks:** Required stepbacks may be reduced by five feet through the Special Permit process, providing additional flexibility in building design.

- **Parking Requirements for Medical Office Uses:** The maximum parking requirement for medical office uses was increased to four spaces per 1,000 square feet of gross floor area in response to concerns that earlier drafts of the zoning might not adequately accommodate market demand for medical office uses.

- **Pedestrian Connections:** The pedestrian connection requirement in the CHC-4 subdistrict would apply to Growth Companies only if redevelopment of the East block properties occurs as part of a coordinated project.

- **Vehicular Access:** The vehicular access restriction on Heath Street applies only to the West block in the CHC-4 subdistrict. Growth Companies would not be precluded from proposing new curb cuts on Heath Street or from exploring a potential Boylston–Heath Street connection through the East block.

Throughout the drafting process, staff have sought to incorporate reasonable flexibility where possible while also maintaining the core policy objective of the overlay district: to incentivize significant net new commercial tax growth while ensuring that the commercial components of mixed-use development are realized.

For this reason, staff were unable to accommodate your request made last year to allow developers

to count existing commercial properties toward the minimum commercial requirement, which functions as the keystone policy mechanism of the overlay district. Similarly, staff has significant reservations regarding the request for an exemption from the fulfillment of the minimum commercial use requirement in phased development scenarios, as such an exemption would substantially weaken an important implementation safeguard developed in coordination with the EDAB Subcommittee.

Response and Points for Clarification Regarding the "Brookline Rezoning Coordination Envelope Studies" (February 2026)

On February 25, 2026, staff were forwarded an email and redevelopment concept titled "*Brookline Rezoning Coordination Envelope Studies.*" Excerpts from your email requesting specific zoning changes are summarized below. Staff responses and requests for clarification are provided following each item.

1. Change to the requirement for proof of financing prior to issuance of a Certificate of Occupancy

You requested that developers be allowed up to five years from issuance of the Certificate of Occupancy for the residential building before building the commercial building at 1268 Boylston Street.

Staff Response:
This requested change would significantly weaken an important safeguard incorporated into the proposed zoning. Under the current draft, in phased redevelopment scenarios where residential construction occurs first, the Certificate of Occupancy for the residential building would not be issued until the developer demonstrates that financing for the commercial building has been secured and that construction has commenced. This requirement was developed in consultation with the EDAB Subcommittee to ensure that the commercial component of projects—central to the overlay's policy objectives—is ultimately delivered.

Once a residential Certificate of Occupancy is issued, the Town has limited ability to ensure that the commercial component will proceed. The proposed provision was designed specifically to mitigate that risk.

While we appreciate your willingness to explore a mechanism that would reimburse the Town for lost commercial tax revenue if the medical office building were not constructed within a certain timeframe, such an arrangement could not be incorporated into zoning. Any such mechanism would need to be addressed through a Memorandum of Agreement (MOA). Because the concept proposal includes several properties that are not currently under Growth Companies' ownership, the Town would not be in a position to execute such an agreement at this time.

At their March 16th meeting, EDAB supported incorporating the following language drafted by staff into the zoning to accommodate your request:

> ***Addition of Section q.2.c.ii.1: For Projects in the CHC-4 Subdistrict with a combined Gross Square Footage of 300,000 or less, the requirements to provide evidence of financing and of***

Breaking Ground before receiving a temporary or permanent Certificate of Occupancy for the earlier building constructed may be temporarily waived through an agreement with the Town through its Select Board. Such an agreement may allow up to five years between issuance of the final Certificate of Occupancy for the first building and Breaking Ground on the building or buildings with the remaining required amount of commercial square footage. Prior to submittal of any application for a Special Permit under this subsection, the applicant shall submit evidence of this temporary waiver to the Zoning Board of Appeals.

2. Clarification regarding developments crossing town streets

You requested language affirmatively stating that developments under common ownership may cross Town streets.

Staff Response:
This issue is already addressed in the zoning under the definition of **Project**, which allows development proposals within the CHC-4 subdistrict to include non-contiguous lots, provided that all other zoning requirements are met.

3. Heath Street setback for residential development

You requested that the Heath Street setback be reduced to 12.5 feet.

Staff Response:
The current setback requirement within the CHC-4 subdistrict is 25 feet. This standard was developed in response to neighborhood concerns regarding the relationship between new development and the existing residential character of Heath Street.

At their March 16th meeting, EDAB supported incorporating the flexibility to reduce the 25' minimum setback requirement along Heath Street in the East block of the CHC-4 Subdistrict by Special Permit to accommodate your request.

4. East and West setbacks at 1268 Boylston Street

You indicated that the East and West setbacks for the building at 1268 should be reduced to zero instead of five feet.

Staff Response:
Staff would appreciate clarification regarding which five-foot setback requirement is being referenced.

Tully Street currently has a 10-foot minimum setback requirement, which may be reduced through the Special Permit process. And the setback requirements in Section 7.c. would not apply to your Project concept, which is separated by a Town-owned street.

5. Floor-to-floor heights

You requested that the minimum floor-to-floor height for upper floors be reduced from 10.5 feet to 10 feet for floors containing parking.

Staff Response:
Any change to this standard would likely benefit from additional discussion with the Economic Development Advisory Board prior to being incorporated into the zoning.

At their March 16th meeting, EDAB supported incorporating language allowing for a 10 ft minimum floor-to-floor height for Garages and Structured Parking (Use #30) into the zoning to accommodate your request.

We appreciate the continued dialogue with Growth Companies regarding the future of the Chestnut Hill Commercial Area and the redevelopment potential of your properties along Boylston Street. We hope that the clarifications provided above are helpful, and we look forward to continuing the conversation as the proposed overlay zoning moves forward through the Town's review process. Staff remain committed to working constructively with you to address outstanding questions and to better understand potential redevelopment scenarios, with the goal of ensuring that the final zoning framework supports both the Town's long-term planning objectives and the successful redevelopment of key properties within the district.

Sincerely,

Meredith L. Mooney
Economic Development Director
Town of Brookline

Cc: Select Board
Town Administrator Chas Carey
Planning Director Kara Brewton
Economic Development Advisory Board
Jeffrey Allen

Good morning,

As you are aware, our office represents Growth Companies, Inc. with respect to the proposed Chestnut Hill Commercial Overlay District and certain provisions of the warrant article that impact its properties.

Growth Companies is prepared to support advancing the warrant article to the May Special Town Meeting. While our client continues to have concerns regarding setback requirements and certain other provisions as they relate to its properties, we are cautiously optimistic that these issues can be resolved in the coming weeks and are committed to working collaboratively with the Town toward that end.

To facilitate this process, we respectfully request that Jonathan Simpson confer with the Moderator confirming that the anticipated amendments regarding setbacks affecting our client's properties fall within the scope of the warrant article and may be properly incorporated as formal amendments to the Chestnut Hill Commercial Overlay District proposal. We are hopeful that the setback issues can be resolved so that we can be in a position to support the warrant article. Thank you.

Jeffrey P. Allen
Lawson & Weitzen, LLP
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Phone: 617.439.4990 | Fax: 617.439.3987
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Program Description

The Brookline Recreation Department is dedicated to providing high-quality, affordable recreational opportunities for residents of all ages, all year round. Our mission is to enrich the lives of our community members by offering diverse programs and services that support healthy lifestyles, mental and physical well-being, and social connections. Whether through our fitness classes, aquatic programs, or outdoor activities, we aim to enhance the quality of life for all Brookline residents.

At the center of our efforts is the Park and Recreation Commission, a seven-member body appointed by the Select Board. The Commission plays a critical role as the policy-making body for the department, ensuring that all programs and facilities reflect the needs and interests of the community. The Commission is committed to fostering a vibrant and inclusive environment where all residents, regardless of age or background, can enjoy recreational opportunities. Parks and recreational spaces are vital to the health, well-being, and connectivity of Brookline's community, and the Commission strives to make these spaces accessible, well-maintained, and environmentally sustainable for future generations.

The Commission's mission is broad, encompassing programs that promote not only physical activity but also cultural, social, and mental well-being. Our facilities, from parks to the Evelyn Kirrane Aquatic Center, are designed to be welcoming and inclusive, ensuring that everyone in Brookline has access to high-quality recreation. The Aquatic Center, for instance, serves thousands of residents each year, offering year-round access to its three pools for community members, school athletic programs, and summer camps.

Financially, the Recreation Department is responsible for managing three distinct budgets: the General Fund, the Golf Course Enterprise Fund, and the Recreation Revolving Fund. These budgets ensure the continued administrative operations of our department. The **General Fund** supports the administration team, which oversees everything from seasonal program development, staff recruitment, training, and financial management of the department. The General Fund supports the Evelyn Kirrane Aquatic Center, the Town's only aquatics facility, which features three (3) pools and serves over 81,000 visitors annually.

Brookline's Recreation Department and Park and Recreation Commission work hand-in-hand to provide services that prioritize safety, satisfaction, and accessibility. With a commitment to diversity and inclusion, we actively work to remove barriers to participation, ensuring that everyone—regardless of ability—can take part in our programs. Through well-maintained parks, cost-effective programs, and a focus on community engagement, we continue to make Brookline a vibrant place to live, work, and play.

FY27 Objectives

General Department

1. Update and streamline financial aid assistance to balance service delivery to our most in need patrons while being financially responsible to the department.

2. Continue to maintain a steady revenue stream to the revolving and enterprise funds of the department to provide relief of the towns operating budget, and maintain cost recovery standards
3. Continue to update and modernize our vehicle fleet for service delivery while adhering to the sustainability requirements of the town
4. Focus on retention strategies for our full-time and part-time employees through career development, feedback opportunities, and continued industry best practices
5. Expand Community Event programming through participation and accessibility through public outreach, transportation, and location.
6. Revolving/Programming
7. Onboard and integrate Brookline Adult and Community Education fully into the program suite of the Recreation Department to become a self supporting program.
8. Expand childcare enrollment and opportunities through the Soule Early Education Center
9. Expand out of school time services as it relates to length of day, providing as much coverage as possible for guardians
10. Facility Improvement
11. Propose/construct lighting for the Robert T Lynch golf course driving range to expand revenue streams and protect the enterprise fund balance of the course
12. Continue to participate and advocate for the repurposing of Fisher Hill West to expand the Recreation Department's services to the community
13. Propose the replacement of indoor pool filtration based on a completed study identifying their need for replacement

FY26 Accomplishments

1. Successfully secured contract bids for the following capital improvement projects:
2. Golf Course Master Plan Drainage projects (Completed Spring 2026)
3. Soule Early Education Center Courtyard Renovation (Completed Fall 2025)
4. Evelyne Kirrane Aquatics Center Dehumidification (Completed Winter 2025/2026)
5. Negotiated the transfer through MOA of Brookline Adult and Community Education department from the Brookline Public Schools to the Recreation Department securing recreation as the hometown resource for pre-k to senior programming.
6. Implemented new, modernized, registration management software to meet the needs of our community and internal needs of the department across all recreation buildings.
7. Implemented a 7-day weekly schedule at the aquatics center to improve access and expand program services
8. Received Boston Athletic Association grant to fund an equipment library to provide essential sports equipment to program participants unable to afford their own.
9. Initiated a feasibility study to determine the location and cost potential of an outdoor pool in Brookline.

Recreation Summary

	ACTUAL	BUDGET	RECOMMENDED		
	FY2025	FY2026	FY2027	$ Chng	% Chng
Expenses					
RECREATION					
RECREATION					
SALARIES					
PERMANENT FULL TIME	$887,849	$942,705	$877,815	-$64,890	-7%
SHIFT DIFFERENTIAL	$7,034	$6,952	$6,952	$0	0%
OVERTIME PAY	$25,503	$10,224	$10,224	$0	0%
LONGEVITY PAY	$5,200	$5,200	$6,450	$1,250	24%
SICK PAY BUYOUT	$116	–	–	$0	–
VACATION BUYOUT	$1,110	–	–	$0	–
A DAY BUYOUT	$14,645	–	–	$0	–
CLOTHING-UNIFORM ALLOWANCE	$3,900	$2,800	$2,800	$0	0%
SALARIES TOTAL	**$945,356**	**$967,881**	**$904,241**	**-$63,640**	**-7%**
SERVICES					
SOFTWARE SERVICE CONTRACT	$300	$11,000	$11,000	$0	0%
OTHER RENTALS/LEASES	$814	$312	$312	$0	0%
OFFICE/CLERICAL SERVICES	$475	$245	$245	$0	0%
WIRELESS COMMUNICATIONS	$9,284	$10,380	$10,380	$0	0%
ADVERTISING SERVICES	$1,487	$1,100	$1,100	$0	0%
SERVICES TOTAL	**$12,360**	**$23,037**	**$23,037**	**$0**	**0%**
SUPPLIES					
OFFICE SUPPLIES	$15,564	$14,480	$14,480	$0	0%
EQUIPMENT MAINT SUPPLIES	$13,735	$19,000	$19,000	$0	0%
MAINTENANCE SUPPLIES	$43,903	$36,000	$36,000	$0	0%
SPECIAL PROGRAM SUPPLIES	$1,525	$6,000	$6,000	$0	0%
MEDICAL SUPPLIES	–	$1,000	$1,000	$0	0%
RECREATION SUPPLIES	$7,358	–	–	$0	–
SUPPLIES TOTAL	**$82,086**	**$76,480**	**$76,480**	**$0**	**0%**
OTHER					
IN STATE TRAVEL -OTHER	$148	–	–	$0	–
IN STATE MILEAGE	$627	–	–	$0	–
EDUCATION/TRAINING/CONFERENCES	$6,380	$7,500	$7,500	$0	0%
AIRFARE	$1,911	$2,400	$2,400	$0	0%
HOTEL	$302	$1,300	$1,300	$0	0%
PROFESSIONAL DUES/MEMBERS	$2,660	$1,200	$1,200	$0	0%
OTHER TOTAL	**$12,027**	**$12,400**	**$12,400**	**$0**	**0%**
UTILITIES					
ELECTRICITY	$74,210	$96,606	$105,940	$9,334	10%
NATURAL GAS	$43,356	$66,085	$101,215	$35,130	53%
GASOLINE	$1,340	$3,500	$3,500	$0	0%
WATER	$20,393	$21,453	$22,097	$644	3%
UTILITIES TOTAL	**$139,300**	**$187,644**	**$232,752**	**$45,108**	**24%**
BUDGETED CAPITAL					
LEASED COMPUTER EQUIPMENT	$4,416	$5,771	$9,365	$3,594	62%
BUDGETED CAPITAL TOTAL	**$4,416**	**$5,771**	**$9,365**	**$3,594**	**62%**
RECREATION TOTAL	**$1,195,545**	**$1,273,213**	**$1,258,275**	**-$14,938**	**-1%**

	ACTUAL	BUDGET	RECOMMENDED		
	FY2025	FY2026	FY2027	$ Chng	% Chng
RECREATION TOTAL	$1,195,545	$1,273,213	$1,258,275	-$14,938	-1%
EXPENSES TOTAL	$1,195,545	$1,273,213	$1,258,275	-$14,938	-1%

Budget Statement: The Recreation Department general fund budget is decreasing by **-$14,938** or **-1%**. Utilities are being increased by $45,108 or 24% to cover the cost of higher energy prices, particularly for the pool, and to resolve underfunding that has previously put pressure on the Recreation Revolving Fund. Capital is also increasing by $3,594 to cover increased costs for leased computer equipment. These increases are being offset by the reduction of 1 FTE for -$63,640 under salaries, which is not being eliminated and instead will move to the Recreation Revolving Fund. A complete explanation of reductions is included in the Town Administrator's Budget Message in Section I.

FTE Summary: Recreation General Fund FTEs are decreasing by 1 to move to the Recreation Revolving Fund.

Recreation Adminstration

	ACTUAL	BUDGET	RECOMMENDED		
	FY2025	FY2026	FY2027	$ Chng	% Chng
Expenses					
RECREATION					
RECREATION					
SALARIES	$553,724	$589,357	$523,116	-$66,241	-11%
SERVICES	$11,546	$22,245	$22,245	$0	0%
SUPPLIES	$17,789	$49,980	$49,980	$0	0%
OTHER	$12,027	$12,400	$12,400	$0	0%
UTILITIES	$25,095	$26,698	$30,575	$3,877	15%
BUDGETED CAPITAL	$4,129	$5,771	$9,365	$3,594	62%
RECREATION TOTAL	$624,311	$706,451	$647,681	-$58,770	-8%
RECREATION TOTAL	$624,311	$706,451	$647,681	-$58,770	-8%
EXPENSES TOTAL	$624,311	$706,451	$647,681	-$58,770	-8%

Cost Recovery

Cost Recovery (chart follows) measures the extent to which the cost of the Recreation Department is supported by user fees versus tax dollars. Many recreation departments across the country utilize a cost recovery model for long range strategic financial planning. The model is “best practice.” The Brookline Recreation Department has utilized the policy and model since 2010. The Cost Recovery Policy identifies the percentages of programs and services that are to be subsidized by tax dollars by assigning a level of community benefit; each program area is given a goal percentage that needs to be “recovered” based on the community benefit, then a subsidy is applied accordingly.

For example, a program or service that provides the highest level of “community benefit” will have a smaller cost recovery than a program or service that is “highly individual.” This approach to cost recovery follows the “Pyramid Methodology” that was developed in 2009. The Park and Recreation Commission adopted the methodology that year with a three-year implementation goal. The Commission’s fundamental purpose in implementing a cost recovery methodology is to provide accurate accounting and transparency to the community, and to achieve a clear

consistent approach to the pricing of programs and services that the Recreation Department offer to the community.

	REQUEST
REVENUES	FY2027
General Fund	289,456
Revolving Fund	5,758,564
Golf Enterprise Fund	3,600,250
TOTAL	9,648,270
EXPENDITURES	
General Fund	1,258,275
General Fund Benefits est. (current employees)	462,575
Revolving Fund	5,758,564
Golf Enterprise Fund	3,600,250
TOTAL	11,079,664
Cost Recovery	**87.1%**
General Fund Subsidy	**12.9%**

Financial Assistance

The Recreation Department will not turn away any resident from participating in a program for financial reasons. The Department provides financial aid for program fees to all qualified Brookline Residents. Park and Recreation Commission's practice is to support families in need and ensure that everyone has the opportunity to participate in all that Brookline Recreation Department has to offer.

PROGRAM	FINANCIAL ASSISTANCE
Soule Center	$104,109
Soule Gym	$4,835
Kirrane Skating Rink	$0
Environmental Ed Center	$7,980
Kirrane Aquatic Center	$68,824
Eliot Center	$0
Tappan	$23,468
Outdoor Rec	$53,442
Outdoor Athletic	$19,723
Offsite - Out of Town Trips	$7,075
TOTAL	**$289,456**

Recreation Swimming Pool

	ACTUAL	BUDGET	RECOMMENDED		
	FY2025	FY2026	FY2027	$ Chng	% Chng
Expenses					
RECREATION					
RECREATION					
SALARIES	$391,632	$378,524	$381,125	$2,601	1%
SERVICES	$814	$792	$792	$0	0%
SUPPLIES	$64,296	$26,500	$26,500	$0	0%
UTILITIES	$114,205	$160,946	$202,177	$41,231	26%
BUDGETED CAPITAL	$287	–	–	$0	–
RECREATION TOTAL	**$571,234**	**$566,762**	**$610,594**	**$43,832**	**8%**
RECREATION TOTAL	**$571,234**	**$566,762**	**$610,594**	**$43,832**	**8%**
EXPENSES TOTAL	**$571,234**	**$566,762**	**$610,594**	**$43,832**	**8%**

Five-Year FTE Summary

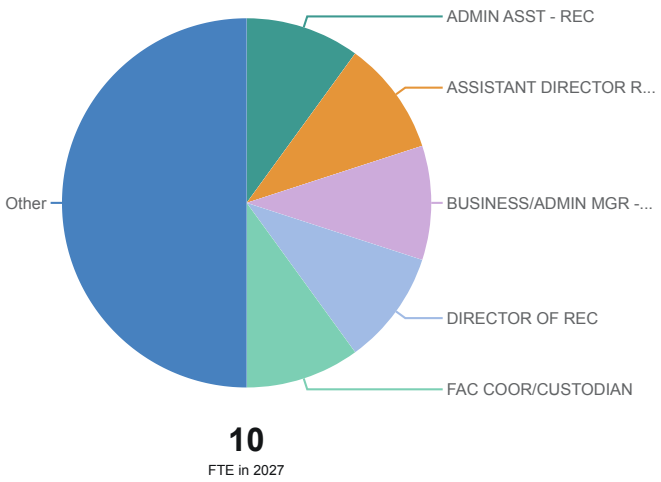
Recreation

	FULL-TIME EQUIVALENTS (FTES)						
	FY2023	FY2024	FY2025	FY2026	FY2027	1YR Chng	5YR Chng
All Positions							
RECREATION	11.00	11.00	11.00	11.00	10.00	-1.00	-1.00
ALL POSITIONS TOTAL	**11.00**	**11.00**	**11.00**	**11.00**	**10.00**	**-1.00**	**-1.00**
Non-General Funded Positions	–	–	–	–	–	–	–
Net General Funded Positions	11.00	11.00	11.00	11.00	10.00	–	–

FY27 FTE Salary

Recreation

Data Updated Feb 13, 2026, 6:19 PM



Recreation

	Budget	FTEs
DIRECTOR OF REC	157,237	1
ASSISTANT DIRECTOR RECREATION	109,204	1
SUPV OF REC BLDG OPS	91,226	1
AQUATICS DIR	96,565	1
BUSINESS/ADMIN MGR - REC	89,061	1
FAC COOR/CUSTODIAN	75,004	1
REC LDR-ASST AQUADIR	72,369	1
ASST REC LDR-AQUA SUPV	67,675	1
ADMIN ASST - REC	61,347	1
SENIOR OFFICE ASST - RECREATION	58,129	1
TOTAL	**877,817**	**10**

RECREATION GENERAL FUND

PERFORMANCE / WORKLOAD INDICATORS	ACTUAL FY2024	ESTIMATE FY2025	ACTUAL FY2025	ESTIMATE FY2026	ESTIMATE FY2027
Community Engagement					
Total Participants Per Year By Facility:					
Soule Childcare	55	65	55	55	65
Kirrane Aquatics Center - Open Swim	27,298	30,000	31,847	27,500	32,000
Ice Rink (open skate - user days; 1 person *2 visits = 2 user days)	8940	7000	9400	9500	9500
Days of Year BREC Offers Programming:	364	364	364	364	364
Total Programs:	761	779	1,032	1,286	1,374
Social Platforms					
Facebook Followers	3314	3225	3478	3499	3525
Twitter (X) Followers	2229	2293	2096	2100	2115
Instagram Followers	1870	1687	2237	2250	2275
Diversity and Inclusion					
Free Programs Attendance:					
Free Brookline Day Event Est. Attendance	12,000	10,000	12,000	15,000	15,000
Free Summer Concerts Est. Attendance	2000	1000	2000	3000	4000
Monster Bash - Free Halloween Event	1500	800	1500	2000	3000
Aquatics Center - Open Swim (heat days)	370	100	117	140	100
Aquatics Center - Open House	83	120	99	110	125
Sustainability					
Volunteers at Rec Programs (includes Rec Therapy)					
# of Volunteers	811	710	799	806	826
# of Hrs Total	13,223	13,800	14,338	14,729	15,109
$ Equivalent (minimum wage estimate)	$ 211,568	$ 220,800	$ 229,408	$ 235,664	$ 241,744
# of Recreation Therapy Volunteer (user days)	124	220	105	100	110

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Program Description

The Robert T. Lynch Municipal Golf Course at Putterham is an 18-hole public course designed and built by Wayne Stiles and John Van Kleek in 1931. The Putterham property includes the afore mentioned 18 hole golf course, a practice putting green, driving range, clubhouse, and Putterham Woods. The clubhouse adjacent to the course houses an administrative office, a large foyer with tables and chairs, and a quick-service restaurant with both indoor and outdoor dining available. A fully equipped pro-shop is also maintained at the course.

In 2023, the Park & Recreation Commission approved a comprehensive Landscape Master Plan which will guide investments made to the golf course. The first significant project of that plan was completed in FY26, with a concentrated effort on improving drainage functionality throughout. That project governed by the Conservation Commission worked to expand and improve resource areas in many areas of the golf course proper. The effects of that project look to stabilize the revenues generated through rounds of golf and be more resilient to the changing weather patterns. Additionally, in FY26, there was a significant tree and trail project completed in Putterham Woods, finally reopening the urban forest with passive recreation opportunities to be enjoyed year-round.

The finances of the Golf Course are accounted for in an Enterprise Fund, as allowed under M.G.L. Ch. 44, section 53F 1/2. The Enterprise Fund fully reimburses the General Fund for expenses incurred on behalf of the golf course, including fringe benefits.

FY27 Objectives

1. Continue capital improvement projects on the golf course focusing on netting protecting the Municipal Service Center, cart path realignment to re-sequence the golf course, and install lights on the driving range.
2. Continue reduce fossil fuel consumption with the implementation of additional robotic mowers.
3. Work with union and HR to establish experiential training program with Norfolk Sheriff's Department for work release inmates.
4. Continue to execute growth of the game initiatives focused on Veterans, Diversity & Inclusion, Juniors, and Seniors.

FY26 Accomplishments

1. Increased Junior Golf play by 20%.
2. Completed the Putterham Woods capital project.
3. Repaved the parking lot, with increased capacity, improved traffic flow, and improved safety for all users.
4. Introduced a robotic range ball picker, further reducing our dependence on fossil fuels.

Recreation Golf Detailed

	ACTUAL	BUDGET	RECOMMENDED		
	FY2025	FY2026	FY2027	$ Chng	% Chng
Expenses					
RECREATION					
GOLF					
SALARIES					
PERMANENT FULL TIME	$468,893	$473,162	$490,156	$16,994	4%
OVERTIME PAY	$7,444	$14,366	$14,654	$288	2%
OT SCHEDULED	$284	–	–	$0	–
PART TIME TEMPORARY SAL	$409,279	$449,650	$504,000	$54,350	12%
LONGEVITY PAY	$2,000	$1,650	$2,900	$1,250	76%
SICK PAY BUYOUT	$1,251	–	–	$0	–
VACATION BUYOUT	$1,539	–	–	$0	–
A DAY BUYOUT	$8,690	$8,000	$8,160	$160	2%
CLOTHING-UNIFORM ALLOWANCE	$2,250	$700	$700	$0	0%
COLLECTIVE BARGAINING	–	$38,231	$35,408	-$2,823	-7%
SALARIES TOTAL	**$901,629**	**$985,759**	**$1,055,978**	**$70,219**	**7%**
SERVICES					
CABLE TV	$1,469	$510	$510	$0	0%
AUDIO VISUAL SERVICES	–	$12,000	$12,000	$0	0%
D P EQUIP R & M	$1,188	$2,500	$2,500	$0	0%
BUILDING MAINTENANCE	$35,939	$31,000	$71,000	$40,000	129%
COMPUTER HARDWARE RENTAL	$2,723	$7,600	$7,600	$0	0%
SOFTWARE SERVICE CONTRACT	$10,008	$11,750	$11,750	$0	0%
SOFTWARE LICENSES	$4,275	$9,050	$9,050	$0	0%
OTHER EQUIPMENT RENTAL/LEASE	$105,194	$115,325	$115,325	$0	0%
OTHER RENTALS/LEASES	$19,925	$4,700	$4,700	$0	0%
BUILDING CLEANING SERVICE	$3,000	$10,500	–	-$10,500	-100%
EQUIP CLEANING/REPAIR/MAINT	$13,423	$12,000	$12,000	$0	0%
LANDSCAPING SERVICES	$121,643	$91,500	$78,500	-$13,000	-14%
ENGINEERING/ARCHITECT SER	$145,467	$50,000	$60,000	$10,000	20%
GENERAL CONSULT SERVICES	$1,958	$10,000	–	-$10,000	-100%
PROFESSIONAL/TECH SERVICE	$20,097	–	$6,500	$6,500	–
PRINTING SERVICES	$423	–	–	$0	–
MAILING SERVICES	$15	–	–	$0	–
ADVERTISING SERVICES	$942	$1,650	$1,650	$0	0%
RECREATION SERVICES	$1,983	$22,000	$2,000	-$20,000	-91%
ENTERTAINERS-LECTURERS	$10,780	$14,200	$14,500	$300	2%
BANKING SERVICES	$30,770	$40,000	$40,000	$0	0%
LICENSES	$154	$250	$250	$0	0%
LAUNDRY SERVICES	$1,117	–	–	$0	–
SERVICES TOTAL	**$532,493**	**$446,535**	**$449,835**	**$3,300**	**1%**
SUPPLIES					
OFFICE SUPPLIES	$3,812	$500	$500	$0	0%
PROSHOP SUPPLIES	$117,375	$99,337	$100,000	$663	1%
EQUIPMENT MAINT SUPPLIES	$100,668	$54,000	$59,000	$5,000	9%
MAINTENANCE SUPPLIES	$8,475	$2,500	$4,000	$1,500	60%
AGRICULTURAL SUPPLIES	$194,978	$250,000	$250,000	$0	0%

	ACTUAL	BUDGET	RECOMMENDED		
	FY2025	FY2026	FY2027	$ Chng	% Chng
SPECIAL PROGRAM SUPPLIES	$200	–	–	$0	–
MEALS & RECEPTIONS	$9,334	$18,636	$18,636	$0	0%
RECREATION SUPPLIES	$75,613	$83,074	$158,074	$75,000	90%
SUPPLIES TOTAL	**$510,457**	**$508,047**	**$590,210**	**$82,163**	**16%**
OTHER					
EDUCATION/TRAINING/CONFERENCES	$4,255	$4,000	$4,000	$0	0%
HOTEL	$1,876	$2,000	$2,000	$0	0%
OTHER TRAVEL	$1,272	$1,500	$1,500	$0	0%
PROFESSIONAL DUES/MEMBERS	$2,409	$3,100	$3,100	$0	0%
CASH OVER-SHORT	$209	–	–	$0	–
GOLF ENTERPRISE RESERVE	–	$25,000	$25,000	$0	0%
OTHER TOTAL	**$10,022**	**$35,600**	**$35,600**	**$0**	**0%**
UTILITIES					
ELECTRICITY	$19,890	$26,649	$31,221	$4,572	17%
NATURAL GAS	$20,576	$19,663	$29,124	$9,461	48%
HEATING OIL	–	$250	$250	$0	0%
PROPANE	$8,257	$8,000	$8,000	$0	0%
GASOLINE	$11,181	$16,000	$12,000	-$4,000	-25%
DIESEL	$8,861	$5,250	$9,000	$3,750	71%
WATER	$69,124	$69,783	$71,876	$2,093	3%
UTILITIES TOTAL	**$137,890**	**$145,595**	**$161,471**	**$15,876**	**11%**
BUDGETED CAPITAL					
OFFICE FURNISHINGS-BUD	–	$15,000	$15,000	$0	0%
LEASED COMPUTER EQUIPMENT	$2,188	$4,500	$4,500	$0	0%
LEASED ROLLING STOCK	$96,142	$136,000	$136,000	$0	0%
BUDGETED CAPITAL TOTAL	**$98,330**	**$155,500**	**$155,500**	**$0**	**0%**
CAPITAL					
GOLF COURSE IMPROVEMENTS	$28,350	$250,000	$600,000	$350,000	140%
CAPITAL TOTAL	**$28,350**	**$250,000**	**$600,000**	**$350,000**	**140%**
DEBT SERVICE					
PRINCIPAL-MAT DEBT	$92,050	$180,988	$169,203	-$11,785	-7%
INTEREST-LONG TERM DEBT	$26,385	$76,144	$73,133	-$3,011	-4%
DEBT SERVICE TOTAL	**$118,435**	**$257,132**	**$242,336**	**-$14,796**	**-6%**
INTERFUND TRANSFERS OUT					
TRANSFERS TO GENERAL FUND	$234,342	$297,423	$309,320	$11,897	4%
INTERFUND TRANSFERS OUT TOTAL	**$234,342**	**$297,423**	**$309,320**	**$11,897**	**4%**
GOLF TOTAL	**$2,571,948**	**$3,081,591**	**$3,600,250**	**$518,659**	**17%**
RECREATION TOTAL	**$2,571,948**	**$3,081,591**	**$3,600,250**	**$518,659**	**17%**
EXPENSES TOTAL	**$2,571,948**	**$3,081,591**	**$3,600,250**	**$518,659**	**17%**

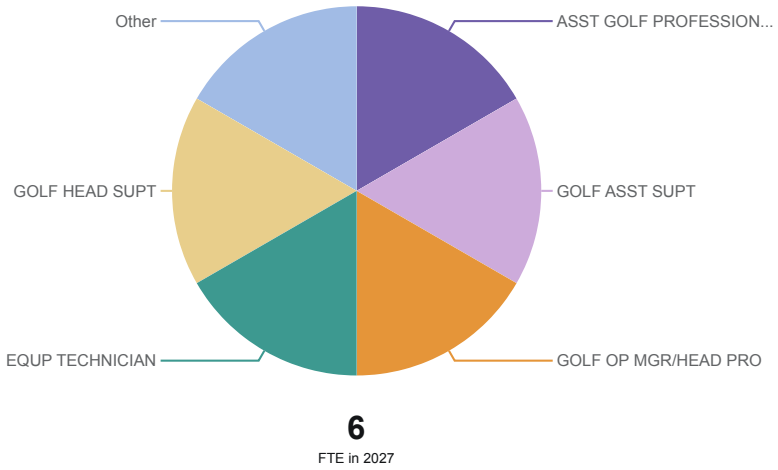
Recreation Golf Revenue

	ACTUAL		BUDGET	RECOMMENDED		
	FY2024	FY2025	FY2026	FY2027	$ Change	% Change
Revenues	$2,014,132	$2,690,804	$3,081,771	$3,581,301	$499,530	16%

FY27 FTE Salary

Recreation Golf

Data Updated Feb 13, 2026, 6:19 PM



Recreation Golf

	Budget	FTEs
GOLF OP MGR/HEAD PRO	110,556	1
GOLF HEAD SUPT	100,033	1
GOLF ASST SUPT	73,562	1
ASST GOLF PROFESSIONAL	73,562	1
EQUP TECHNICIAN	72,174	1
GOLF MAINT CRAFTSPERSON	60,268	1
GOLF SEASONALS	504,000	0
TOTAL	**994,155**	**6**

GOLF PERFORMANCE / WORKLOAD INDICATORS	ACTUAL FY2024	ACTUAL FY2025	ESTIMATE FY2026	ESTIMATE FY2027
Rounds of Golf				
18 hole Rounds of Golf	9,216	15,914	16,000	19,000
9 hole Rounds of Golf	20,985	25,922	23,000	21,000
Total Rounds of Golf	30,201	41,836	39,000	40,000
Revenue per Round of Golf	$ 63.48	$ 61.35	$ 72.68	$ 73.97
Cost per Round of Golf	$ 37.02	$ 37.82	$ 44.20	$ 45.64
Driving Range				
Total Bucket Sold	46,484	54,057	49,600	62,300
Total Bucket Sales	$583,189.20	$624,211.00	$682,000.00	$856,625.00
Other Community Event Participants	250	1900	3600	4000
Number of Rounds	30201	41836		
#Non Resident Rounds	23587	29414		
#Resident Rounds	2291	5076		
#Reduced Fee	2425	2993		
High School Play	643	804		
Student Rounds	158	102		
Junior Golf Rounds	779	2373		
Twilight Rounds	3691	3871		

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Program Description

The Recreation Revolving Fund supports a wide range of programs and activities across Brookline's indoor and outdoor facilities. These include the Soule Recreation Center and Gym, Jack Kirrane Skating Rink, Environmental Education Center, Evelyn Kirrane Aquatic Center, Eliot Recreation Center, Tappan Gymnasium Facility, and other parks and athletic leagues. Programs serve residents of all ages and offer both active and passive recreational opportunities, including instruction, leagues, lessons, and enrichment.

Program fees are established using the Town's Cost Recovery Model, which ensures financial sustainability while maintaining accessible services. Financial assistance is available through the Brookline Recreation Scholarship Program and is awarded on a case-by-case basis.

Authorized under Massachusetts General Law Chapter 44, Section 53E ½, the Revolving Fund allows the Recreation Department to operate many programs on a self-sustaining basis. All revenue generated through these programs is reinvested to cover their associated costs, including salaries and benefits for employees who administer and support the programs.

FY27 Objectives

General Department

1. Update and streamline financial aid assistance to balance service delivery to our most in need patrons while being financially responsible to the department.
2. Continue to maintain a steady revenue stream to the revolving and enterprise funds of the department to provide relief of the towns operating budget, and maintain cost recovery standards.
3. Continue to update and modernize our vehicle fleet for service delivery while adhering to the sustainability requirements of the town.
4. Focus on retention strategies for our full-time and part-time employees through career development, feedback opportunities, and continued industry best practices.
5. Expand Community Event programming through participation and accessibility through public outreach, transportation, and location.

Revolving/Programming

1. Onboard and integrate Brookline Adult and Community Education fully into the program suite of the Recreation Department to become a self-supporting program.
2. Expand childcare enrollment and opportunities through the Soule Early Education Center.
3. Expand out-of-school-time services as it relates to length of day, providing as much coverage as possible for guardians.

Facility Improvement

1. Propose/construct lighting for the Robert T Lynch golf course driving range to expand revenue streams and protect the enterprise fund balance of the course.
2. Continue to participate and advocate for the repurposing of Fisher Hill West to expand the Recreation Department's services to the community.

FY26 Accomplishments

1. Successfully secured contract bids for the following capital improvement projects:
   - Golf Course Master Plan Drainage projects (Completed Spring 2026)
   - Soule Early Education Center Courtyard Renovation (Completed Fall 2025)
   - Evelyne Kirrane Aquatics Center Dehumidification (Completed Winter 2025/2026)
2. Negotiated the transfer through MOA of Brookline Adult and Community Education department from the Brookline Public Schools to the Recreation Department securing recreation as the hometown resource for pre-k to senior programming.
3. Implemented new, modernized registration management software to meet the needs of our community and the internal needs of the department across all recreation operations.
4. Implemented a 7-day weekly schedule at the aquatics center to improve access and expand program services.
5. Received Boston Athletic Association grant to fund an equipment library to provide essential sports equipment to program participants unable to afford their own.
6. Initiated a feasibility study to determine the location and cost potential of an outdoor pool in Brookline.

Recreation Revolving Detailed

	ACTUAL	BUDGET	RECOMMENDED		
	FY2025	**FY2026**	**FY2027**	**$ Chng**	**% Chng**
Expenses					
RECREATION					
REC REVOLVING					
SALARIES					
PERMANENT FULL TIME	$936,928	$1,384,638	$1,562,621	$177,983	13%
PERMANENT PART TIME	–	–	$44,745	$44,745	–
SHIFT DIFFERENTIAL	–	$2,628	$2,679	$51	2%
WORKING OUT OF CLASS	$9	–	–	$0	–
OVERTIME PAY	$12,020	$29,050	$29,631	$581	2%
PART TIME TEMPORARY SAL	$1,177,187	$1,457,202	$1,732,083	$274,881	19%
LONGEVITY PAY	$750	–	–	$0	–
SICK PAY BUYOUT	$962	–	–	$0	–
COMP TIME TAKEN	–	$5,665	$5,777	$112	2%
VACATION BUYOUT	$9,658	$7,210	$7,353	$143	2%
A DAY BUYOUT	$3,791	$4,326	$4,412	$86	2%
CLOTHING-UNIFORM ALLOWANCE	$4,400	$4,550	$4,550	$0	0%
COLLECTIVE BARGAINING	–	$91,633	$114,588	$22,955	25%
SALARIES TOTAL	**$2,145,704**	**$2,986,902**	**$3,508,439**	**$521,537**	**17%**
SERVICES					
EQUIPMENT SERVICE CONTRACT	$1,495	–	–	$0	–
MOTOR VEHICLE/EQUIP R & M	$13	–	–	$0	–
BUILDING MAINTENANCE	$23,930	$38,997	$39,997	$1,000	3%
R & M LARZ PAVILION/RINK	–	$20,000	$20,000	$0	0%
COPY EQUIP RENTAL/LEASES	$12,724	$6,800	$14,425	$7,625	112%
COMPUTER HARDWARE RENTAL	$809	$750	$750	$0	0%

	ACTUAL	BUDGET	RECOMMENDED		
	FY2025	FY2026	FY2027	$ Chng	% Chng
SOFTWARE SERVICE CONTRACT	$93,510	$102,500	$102,500	$0	0%
PUBLIC BLDG RENTALS/LEASE	$480	–	–	$0	–
MOTOR VEHICLE/EQUIP RNTL	$27,826	$62,400	$62,400	$0	0%
OTHER EQUIPMENT RENTAL/LEASE	$225	–	–	$0	–
OTHER RENTALS/LEASES	$2,495	$13,400	$13,700	$300	2%
BUILDING CLEANING SERVICE	$8,775	$15,500	$15,500	$0	0%
GENERAL CONSULT SERVICES	$2,974	$10,500	$11,000	$500	5%
PROFESSIONAL/TECH SERVICE	$14,488	$12,450	$12,450	$0	0%
INTERNET RELATED SERVICES	$476	$800	$1,200	$400	50%
FIELD TRIPS	$39,126	$51,400	$56,150	$4,750	9%
WIRELESS COMMUNICATIONS	–	$1,800	$1,800	$0	0%
POSTAGE	$26	–	–	$0	–
PRINTING SERVICES	$1,259	$17,670	$17,670	$0	0%
ADVERTISING SERVICES	–	$200	$200	$0	0%
RECREATION SERVICES	$312,408	$269,055	$347,380	$78,325	29%
ATHLETIC EVENT OFFICAL FE	$23,945	$50,600	$51,600	$1,000	2%
ENTERTAINERS-LECTURERS	$22,345	$42,600	$42,600	$0	0%
BANKING SERVICES	$89,946	$95,000	$100,000	$5,000	5%
LICENSES	$2,759	$4,750	$4,750	$0	0%
LAUNDRY SERVICES	–	$250	$250	$0	0%
SUBSCRIPTIONS	$13,032	$1,100	$1,100	$0	0%
SERVICES TOTAL	**$695,066**	**$818,522**	**$917,422**	**$98,900**	**12%**
SUPPLIES					
OFFICE SUPPLIES	$1,557	$1,450	$1,450	$0	0%
DATA PROCESSING SOFTWARE	–	$3,000	$3,000	$0	0%
EQUIPMENT MAINT SUPPLIES	$2,574	$7,700	$7,750	$50	1%
MAINTENANCE SUPPLIES	$5,555	$10,000	$10,000	$0	0%
SPECIAL PROGRAM SUPPLIES	$3,798	$27,250	$29,500	$2,250	8%
MEALS & RECEPTIONS	$13,013	$24,125	$24,175	$50	0%
FOOD SERVICE SUPPLIES	$4,481	$10,200	$10,200	$0	0%
MEDICAL SUPPLIES	$10,317	$13,850	$13,850	$0	0%
RECREATION SUPPLIES	$152,209	$159,094	$174,094	$15,000	9%
SUPPLIES TOTAL	**$193,504**	**$256,669**	**$274,019**	**$17,350**	**7%**
OTHER					
VEHICLE USE ALLOWANCE	$63	–	–	$0	–
IN STATE MILEAGE	$2,334	–	–	$0	–
EDUCATION/TRAINING/CONFERENCES	$29,839	$56,850	$60,300	$3,450	6%
AIRFARE	–	$250	$250	$0	0%
HOTEL	$2,613	$250	$250	$0	0%
OTHER TRAVEL	$44	–	–	$0	–
PROFESSIONAL DUES/MEMBERS	$29,989	$43,725	$46,225	$2,500	6%
CASH OVER-SHORT	$20	–	–	$0	–
OTHER TOTAL	**$64,903**	**$101,075**	**$107,025**	**$5,950**	**6%**
UTILITIES					
ELECTRICITY	$124,894	$116,000	$143,570	$27,570	24%
NATURAL GAS	$52,564	$20,000	$23,000	$3,000	15%
PROPANE	$1,270	$1,515	$1,515	$0	0%
WATER	$14,591	$12,700	$12,700	$0	0%
UTILITIES TOTAL	**$193,320**	**$150,215**	**$180,785**	**$30,570**	**20%**

	ACTUAL	BUDGET	RECOMMENDED		
	FY2025	FY2026	FY2027	$ Chng	% Chng
BUDGETED CAPITAL					
AUTOMOBILES	$57,464	$55,000	$55,000	$0	0%
FURNITURE, FIXTURES, EQUIPMENT	$4,310	$2,000	$2,000	$0	0%
LEASED COMPUTER EQUIPMENT	$6,724	$6,930	$4,300	-$2,630	-38%
BUDGETED CAPITAL TOTAL	**$68,498**	**$63,930**	**$61,300**	**-$2,630**	**-4%**
INTERFUND TRANSFERS OUT					
TRANSFERS TO GENERAL FUND	$507,991	$576,575	$709,574	$132,999	23%
INTERFUND TRANSFERS OUT TOTAL	**$507,991**	**$576,575**	**$709,574**	**$132,999**	**23%**
REC REVOLVING TOTAL	**$3,868,986**	**$4,953,888**	**$5,758,564**	**$804,676**	**16%**
RECREATION TOTAL	**$3,868,986**	**$4,953,888**	**$5,758,564**	**$804,676**	**16%**
EXPENSES TOTAL	**$3,868,986**	**$4,953,888**	**$5,758,564**	**$804,676**	**16%**

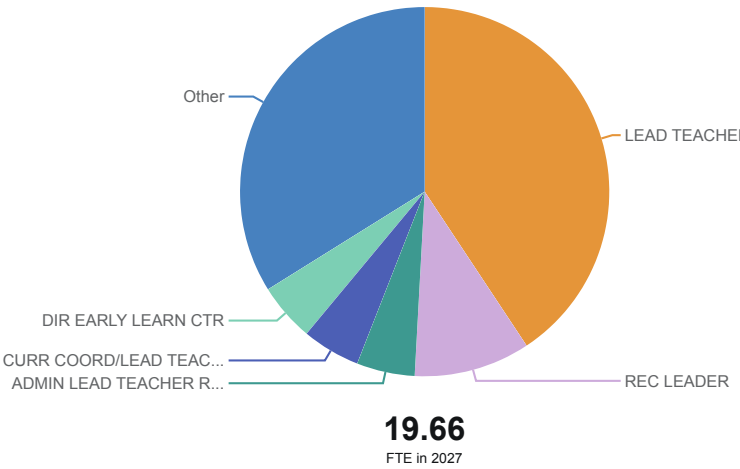
Recreation Revolving Revenue

	ACTUAL		BUDGET	RECOMMENDED		
	FY2024	FY2025	FY2026	FY2027	$ Change	% Change
Revenues						
REVENUES	–	–	$0	$0	$0	–
DEPARTMENTAL & OTHER	–	–	$0	$0	$0	–
GENERAL GOVERNMENT	$0	–	$0	$0	$0	–
INTEREST INCOME	–	–	$0	$0	$0	–
LICENSES & PERMITS	–	–	$0	$0	$0	–
OTHER AVAILABLE FUNDS	–	–	$0	$0	$0	–
RECREATION REVOLVING	$3,723,458	$3,760,622	$4,953,888	$5,758,564	$804,676	16%
REVENUES TOTAL	**$3,723,458**	**$3,760,622**	**$4,953,888**	**$5,758,564**	**$804,676**	**16%**

FY27 FTE Salary

Recreation Revolving

Data Updated Feb 13, 2026, 6:19 PM



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FTE in 2027

Recreation Revolving

	Budget	FTEs
DIR EARLY LEARN CTR	89,631	1
ASST DIR EARLY LRN	81,541	1
REC LEADER II	73,562	1
REC LEADER	133,170	2
ADMIN LEAD TEACHER REC REVOLVING	73,562	1
ENVIRO ED OUTR COORD	67,675	1
ASST REC LEADER REC REVOLVING PT	726,944	0
ADULT ED COORD	71,194	1
ASST REC LEAD/AQUATICS SUPER	67,674	1
CURR COORD/LEAD TEACH	65,495	1
LEAD TEACHER REC REVOLVING	490,190	8
BUILDING CUSTODIAN REC REVOLVING	59,433	1
CONCESSIONS/PRO SHOP REC REVOLV PT	14,080	0
LEAD TEACHER REC REVOLVING PT	44,745	0.66
ASST TEACHER/GROUP REC REVOLVING PT	115,892	0
COACH REC REVOLVING	76,862	0
COORD/DIRECTOR REC REVOLVING PT	82,282	0
COUNSELOR REC REVOLVING PT	19,311	0
CUSTODIAN REC REVOLVING PT	41,254	0
GUARD REC REVOLVING PT	331,256	0
INSTRUCTOR REC REVOLVING PT	114,435	0
MANAGER REC REVOLVING PT	25,984	0
REFEREE REC REVOLVING PT	18,972	0
SPECIALIST REC REVOLVING PT	164,811	0
TOTAL	**3,049,955**	**19.66**

RECREATION REVOLVING FUND PERFORMANCE / WORKLOAD INDICATORS	ACTUAL FY2024	ACTUAL FY2025	ESTIMATE FY2026	ESTIMATE FY2027
Community Engagement				
Total Participants Per Year By Facility:				
Soule Childcare	55	55	55	65
Kirrane Aquatics Center - Open Swim	27,298	31,847	27,500	32,000
Ice Rink (open skate - user days; 1 person *2 visits = 2 user days)	8940	9400	9500	9500
Days of Year We Offer "OST" Programming:	364	364	364	364
After School (all school year & additional)	N/A	N/A	N/A	N/A
Vacation Week (total#)	N/A	N/A	N/A	N/A
Diversity and Inclusion				
Total # of Participants by income:				
Total # of state vouchers	5	7	9	15
Total # of BREC scholarships	839	1,103	1200	1300
Total amount awarded	$117,672.00	$289,456.00	$ 325,000	$350,000.00
# of Participants by Age (User Days):				
# of senior participants aged 65+	2763	3596	3883	4080
# of participants aged 55 - 65	2329	2090	2226	2475
# of young adult partcipants	7366	8070	8424	8585
# of children participants	13,584	15,712	16,470	17,040
Total # of Participants by zipcode:	TBD	TBD	TBD	TBD
Sustainability and Nature				
Total # of Est. Participants:				
Kindergarten: Fall Bulb Planting (w/BPS & Parks and Open Space Division)	N/A	N/A	N/A	450
First Grade: Spring Insect Field Trips (w/BPS)	520	490	500	500
FT Staff Hours for School Programs	N/A	45	N/A	60

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Program Description

The Brookline Police Department protects and serves the community through fair, impartial, and professional law enforcement. Guided by the principles of Service, Integrity and Community, the Department strives to enhance quality of life, strengthen trust, and maintain the safety of residents, visitors, and businesses. FY27 marks the second full fiscal year of implementation for the BPD's 2025–2029 Strategic Plan, with continued emphasis on recruitment, retention, wellness, training, and technology. The Department will continue to adapt to fiscal constraints while maintaining essential services, seeking grant funding, and pursuing efficiencies through data-driven deployment and partnerships.

Mission Statement:
In partnership with the community, the Brookline Police Department protects the largest Town in Massachusetts through fair and impartial law enforcement, proactive crime prevention, and ensures public safety. Serving a diverse and unique mix of urban and suburban communities with a wide socioeconomic spectrum, the Brookline Police Department meets these challenges as a well-trained, educated, and adaptive policing organization dedicated to earning public trust. As an accredited police agency, BPD provides a wide range of community and emergency response services that enhance the Town's quality of life. With dedication, empathy, humility, and unity of purpose, the Brookline Police Department takes pride in its service and strives to make Brookline a safe and secure community.

Core Values and Beliefs:
- Inspires and supports the bravery and selfless service of its officers.
- Respects and is accountable to the community and each other.
- Is resolute in its pursuit of excellence based upon fairness, integrity, work ethic, and professionalism.
- Acts with compassion and patience.
- Relishes open communications and feedback.
- Recognizes diversity as an organizational strength.
- Is adaptable and agile to address the evolving community it serves.
- Encourages resourcefulness and responsible decision-making.
- Builds camaraderie, supports wellness, and celebrates personal and team achievements.

Vision Statement:
A recognized leader in modern policing that evolves and adapts with law and societal change while ensuring public safety, protection of life, property, and the peace. Nurtures a culture of service, wellness, values, recognition, and communication that attracts and retains a diverse employee team where innovation thrives. Secures and leverages

crucial investments in infrastructure, security, equipment, and technological advancements to support the reliable delivery of policing and community services. The BPD achieves the high standards and expectations of its community, provides a robust engagement program of communications, events, education, and outreach, and is a valuable partner to other departments and communities.

FY27 Objectives:

Administrative and Support Division

Strengthen Community Engagement:

1. Expand Public Education & Outreach: Increase presence of police officers in schools, BTC and other community organizations. Offer more public safety workshops for seniors, parents, and faith-based organizations.
2. Enhance Transparency: Regularly update website and continue our strong social media presence; continue the “Coffee with a Cop” events and use feedback to develop new ones.
3. Foster Partnerships: Strengthen relationships with schools, libraries, Brookline Housing Authority, neighborhood associations and the business community to promote safety and inclusion.
4. Expand Animal Control outreach, public education and bylaw updates.
5. Return of “paused” programs, including RAD and Basketball at BTC, expand the Summer Youth Program, and increase our presence at community events

Recruit, Retain, and Support a Diverse Workforce:

1. Recruitment: Continue implementation of non–Civil Service hiring with the assistance of Human Resources; leverage new recruitment agency (GetBadged), digital platforms, and lateral outreach.
2. Retention: Support collective bargaining initiatives and consider impact bargaining where appropriate to improve scheduling flexibility, reduce forced overtime, and address officer wellness.
3. Staffing Stability: Maintain full sworn complement (target: 101 officers) and civilian staff to meet response standards and operational demands.

Strengthen Leadership, Accountability, and Organizational Effectiveness:

1. Data-Informed Policing: Expand use of analytic reporting for calls-for-service, deployment, and traffic safety initiatives.
2. Collaborate with engineering and transportation on roadway studies, bicycle and pedestrian safety and Vizion Zero work.
3. Fiscal Stewardship: Identify efficiencies through technology (Detail management system, electronic reporting) and grant funding to minimize the impact of FY27 budget constraints.
4. Support increasing statewide training mandates, totaling 70-80 hours annually per officer.
5. Implement a mobile-friendly detail management system with improved transparency and revenue capture
6. Explore a kiosk-based sign-in system for parking ticket appeals.

Promote Officer Wellness, Training, and Professional Development:

1. Training & Development: Continue annual PERF leadership training for one lieutenant; ensure command staff attendance at IACP Conference.
2. Wellness & Peer Support: Expand officer wellness programs and peer-support initiatives; partner with CISM and CIT clinicians for resiliency resources.
3. Expand Animal Control training and community education regarding animal safety.
4. Operationalize monthly and quarterly meetings for Patrol Supervisors.
5. Expand training for required certifications and specialized skills, including BOSAR, interview & interrogations, digital forensics and cyber crime training for detectives.

Enhance Infrastructure, Technology, and Public Safety Systems

1. Facility Improvements: Continue design planning for lobby/front desk area, and long-term police facility planning.
2. Technology Upgrades: Secure CIP funding for CAD/RMS procurement; maintain BAPERN interoperability and regional radio encryption mitigation.

3. Fleet and Equipment: Explore alternative vehicle financing models, federal and state grants for ballistic vest reimbursement and account for aging body-worn cameras for equipment/contracted services line items.
4. Expand bicycle capabilities across divisions to address in sharp increase in micromobility users and changing road designs.
5. Establish a drone program with licensed operators and suitable deployment capability

Advance Financial Stewardship and Sustainability

1. Budget Optimization: Rebalance line items per FY27 instructions to ensure level-funding; continue identifying efficiencies and energy-saving opportunities.
2. Revenue Development: Pursue grant reimbursements (e.g., DMH, EOPS, JAG, UASI) and cost-sharing agreements (e.g., Flock Safety with CHR).

FY26 Accomplishments

1. **Modernized Recruitment & Hiring Practices:** Held the Department's **first-ever entrance exam outside of Civil Service**, establishing a more flexible and streamlined hiring process that allows greater control over recruitment and diversity efforts. As a result, the Department expects to send **8–10 new officers to a Recruit Academy before the end of FY26**.
2. **Introduced New Promotional Processes:** In partnership with the **Town's Human Resources Department**, developed and implemented a **new promotional process** for supervisory ranks that utilizes **assessment centers in addition to written exams**, improving fairness, transparency, and leadership preparedness across the organization.
3. **Traffic Safety & Equipment Upgrades:** Completed the rollout of upgraded **traffic-enforcement equipment** and expanded **targeted safety campaigns** in coordination with the Town's Transportation Division, improving pedestrian and cyclist safety.
4. **Staffing & Retention Initiatives:** Expanded the **lateral-transfer recruitment campaign**, filled multiple vacancies with highly qualified officers, and implemented a revised onboarding and mentoring program to enhance retention and professional development.
5. **Reaccreditation**: Successfully achieved **reaccreditation through the Massachusetts Police Accreditation Commission (MPAC),** utilizing the **updated 6th Edition Standards**, affirming the Department's commitment to excellence and best practices in policing. The reaccreditation process included the adoption of **PowerDMS**, a new digital policy and training management platform that modernized document control, policy tracking, and compliance monitoring across all divisions.
6. **New Grant Funding for Improved Mental Health Response:** Secured grant funding to hire a clinician for co-response during an "impact shift" under the supervision of our Director of Clinical Services.
7. **Infrastructure & Communications Enhancements:** Our Public Safety Dispatch Center supported implementation of Alert Brookline, integrating police notifications into the new Town-wide mass-communication system, and upgraded dispatch and communication platforms for the Town's Emergency Operations Center (EOC).
8. **Sustainability & Fleet Modernization**: Incorporated four electric vehicles into the Department's fleet, including the first electric Animal Control truck, reducing emissions and aligning with the Town's Climate Action and Fleet Sustainability goals.
9. **Facility Improvements & Equity Initiatives**: Completed the long-awaited Women's Locker Room Renovation Project, providing improved facilities, enhanced privacy, and modernized amenities to better support current and future female officers and supervisors. This project represents a key step in the Department's ongoing commitment to workforce equity and inclusion.
10. **Leadership & Operational Improvements in the Public Safety Business Office (PSBO):** Managed significant **leadership transitions** within the **Public Safety Business Office** and successfully integrated **new staff members**, resulting in improved workflow, better interdepartmental communication, and greater fiscal oversight. Streamlined administrative processes including payroll, purchasing, and grant management, improving efficiency and accountability across both Police and Fire operations.
11. **Maintained exemplary emergency response performance**: Achieved an average response time of 2 minutes and 30 seconds for Priority 1 emergencies (including active threats, medical CPRs, and violent crimes in progress) and 4 minutes and 40 seconds for Priority 2 incidents (urgent but stabilized calls). These metrics reflect the Department's continued ability to prioritize emergency events efficiently and maintain strong coordination with our BFD and EMS partners.

Police Detailed

	ACTUAL	BUDGET	RECOMMENDED		
	FY2025	FY2026	FY2027	$ Chng	% Chng
Expenses					
POLICE					
POLICE					
SALARIES					
PERMANENT FULL TIME	$12,903,075	$14,175,031	$13,977,832	-$197,199	-1%
PERMANENT PART TIME	$28,376	$179,308	$179,308	$0	0%
SHIFT DIFFERENTIAL	$350,374	$397,844	$412,378	$14,534	4%
WORKING OUT OF CLASS	$15,498	$25,427	$25,427	$0	0%
OVERTIME PAY	$2,501,143	$1,061,513	$1,132,458	$70,945	7%
OVERTIME PAY - SPECIAL PROGRAM	$894	–	–	$0	–
PART TIME TEMPORARY SAL	$65,445	$132,122	$61,176	-$70,946	-54%
COURT PAY	$42,575	$222,392	$222,392	$0	0%
POLICE LAG TIME	$187,032	$216,722	$228,990	$12,268	6%
IN SERVICE TRAINING	$368,039	$459,379	$459,379	$0	0%
EDUCATIONAL INCENTIVE PAY	$62,088	$3,519	$3,450	-$69	-2%
QUINN EDUCATION INCENTIVE	$1,252,315	$1,982,941	$2,008,752	$25,811	1%
LONGEVITY PAY	$59,573	$71,925	$71,925	$0	0%
CAREER INCENTIVE PAY	$626,357	$20,000	$20,000	$0	0%
SPECIALTY PAY	$30,261	$28,300	$28,300	$0	0%
EMT PAY	$10,000	$14,350	$14,350	$0	0%
POLICE POST PAY	$566,468	$781,779	$778,150	-$3,629	0%
SICK PAY BUYOUT	$13,020	–	–	$0	–
SICK BUYOUT - 2 FOR 1-RETIREAB	$5,779	–	–	$0	–
HOLIDAY PAY	$661,579	$769,803	$786,848	$17,045	2%
VACATION BUYOUT	$98,242	–	–	$0	–
A DAY BUYOUT	$73,271	$107,074	$107,074	$0	0%
INJURED ON THE JOB	$239,991	–	–	$0	–
CLOTHING-UNIFORM ALLOWANCE	$42,040	$37,840	$37,840	$0	0%
AUTO ALLOWANCE	$10,211	$9,080	$9,080	$0	0%
OFFSET	–	-$61,176	-$61,176	$0	0%
SALARIES TOTAL	**$20,213,646**	**$20,635,173**	**$20,503,933**	**-$131,240**	**-1%**
SERVICES					
BOTTLED WATER SERVICE	$6,671	$3,000	$3,000	$0	0%
OFFICE EQUIP R & M	–	$1,600	$1,600	$0	0%
D P EQUIP R & M	$4,712	$11,450	$11,450	$0	0%
COMPUTER SOFTWARE R & M	$2,148	$120,121	$120,121	$0	0%
COMMUNICATIONS EQUIP R & M	$78,250	$153,660	$153,660	$0	0%
PUBLIC SAFETY EQUIP R & M	–	$4,832	$4,832	$0	0%
MOTOR VEHICLE/EQUIP R & M	$4,462	$2,500	$2,500	$0	0%
BUILDING MAINTENANCE	$1,975	$2,500	$2,500	$0	0%
OFFICE EQUIP RENTALS/LEAS	–	$550	$550	$0	0%
COPY EQUIP RENTAL/LEASES	$8,624	$6,437	$6,437	$0	0%
SOFTWARE SERVICE CONTRACT	$132,799	–	–	$0	–
SOFTWARE LICENSES	$1,500	$4,250	$4,250	$0	0%

	ACTUAL	BUDGET	RECOMMENDED		
	FY2025	FY2026	FY2027	$ Chng	% Chng
OTHER EQUIPMENT RENTAL/LEASE	$275	$1,500	$1,500	$0	0%
OTHER RENTALS/LEASES	$1,636	–	–	$0	–
GENERAL CONSULT SERVICES	$51,256	$20,000	$20,000	$0	0%
PROFESSIONAL/TECH SERVICE	$278,401	$285,050	$345,050	$60,000	21%
TELEPHONE & TELEGRAPH	$27,124	–	–	$0	–
WIRELESS COMMUNICATIONS	$149,950	$119,500	$119,500	$0	0%
POSTAGE	$3,868	$5,000	$5,000	$0	0%
PRINTING SERVICES	$3,999	$5,000	$5,000	$0	0%
DELIVERY SERVICES	–	$300	$300	$0	0%
LAUNDRY SERVICES	$2,813	$2,800	$2,800	$0	0%
VETERINARY SERVICES	$3,277	$5,000	$5,000	$0	0%
SUBSCRIPTIONS	$715	–	–	$0	–
SERVICES TOTAL	**$764,454**	**$755,050**	**$815,050**	**$60,000**	**8%**
SUPPLIES					
OFFICE SUPPLIES	$2,334	$12,300	$12,300	$0	0%
DATA PROCESSING SUPPLIES	$18,980	–	–	$0	–
MEALS & RECEPTIONS	$5,723	$1,250	$1,250	$0	0%
FOOD FOR PRISONERS	–	$3,500	$4,000	$500	14%
BOOKS & PERIODICALS	$91	$2,000	$1,000	-$1,000	-50%
PUBLIC SAFETY SUPPLIES	$24,466	$80,882	$90,882	$10,000	12%
UNIFORMS & PROTECTIVE CLO	$53,806	$67,500	$66,021	-$1,479	-2%
SUPPLIES TOTAL	**$105,401**	**$167,432**	**$175,453**	**$8,021**	**5%**
OTHER					
IN STATE TRAVEL -OTHER	$2,061	$1,000	$1,000	$0	0%
EDUCATION/TRAINING/CONFERENCES	$24,065	$26,500	$28,500	$2,000	8%
OTHER TRAVEL	$177	–	–	$0	–
PROFESSIONAL DUES/MEMBERS	$8,808	$7,300	$7,300	$0	0%
OTHER TOTAL	**$35,111**	**$34,800**	**$36,800**	**$2,000**	**6%**
UTILITIES					
ELECTRICITY	$111,389	$131,094	$151,453	$20,359	16%
NATURAL GAS	$19,544	$20,494	$27,792	$7,298	36%
GENERATOR FUEL	–	$150	$150	$0	0%
GASOLINE	$95,415	$108,511	$103,006	-$5,505	-5%
DIESEL	–	$100	$100	$0	0%
WATER	$20,564	$14,777	$16,526	$1,749	12%
UTILITIES TOTAL	**$246,913**	**$275,126**	**$299,027**	**$23,901**	**9%**
BUDGETED CAPITAL					
AUTOMOBILES	$317,161	$300,122	$300,122	$0	0%
PUBLIC SAFETY EQUIPMENT-BUD	$35,359	$30,000	$30,000	$0	0%
LEASED COMPUTER EQUIPMENT	$24,153	$74,866	$77,295	$2,429	3%
BUDGETED CAPITAL TOTAL	**$376,673**	**$404,988**	**$407,417**	**$2,429**	**1%**
POLICE TOTAL	**$21,742,199**	**$22,272,569**	**$22,237,680**	**-$34,889**	**0%**
POLICE TOTAL	**$21,742,199**	**$22,272,569**	**$22,237,680**	**-$34,889**	**0%**
EXPENSES TOTAL	**$21,742,199**	**$22,272,569**	**$22,237,680**	**-$34,889**	**0%**

Budget Statement: The Police budget is decreasing by -$34,889 or less than -1%. Police services are increasing by $60,000 to restore reductions made in previous years, which will cover software and service costs for radios and parking enforcement that are steadily increasing each year. The Other category is increasing $2,000 for training costs, capital is increasing $2,429 to cover leased computes, and supplies are increasing $8,021 to help meet

equipment replacement schedules. Each of these increases are being offset by a -$131,240 decrease in salaries or a reduction of 1 FTE. For explanations of reductions, refer to the Town Administrator's Budget Message in Section I.

FTE Summary: Police staffing is decreasing by 1.2 FTEs over the prior year, which reflects the reduction of 1 FTE and corrections to part-time. Overall net positions in the department are decreasing by 2 FTEs due to capturing the end of a grant-funded position in CIT.

Below are budget tables by division and individual account followed by FTE tables showing long-term and budget year figures.

Police Administration

	ACTUAL	BUDGET	RECOMMENDED		
	FY2025	FY2026	FY2027	$ Chng	% Chng
Expenses					
POLICE					
POLICE					
SALARIES					
PERMANENT FULL TIME	$878,009	$1,032,433	$1,043,818	$11,385	1%
SHIFT DIFFERENTIAL	$4,754	$4,849	$5,066	$217	4%
WORKING OUT OF CLASS	–	$5,582	$5,582	$0	0%
OVERTIME PAY	$84,930	$51,828	$51,827	-$1	0%
PART TIME TEMPORARY SAL	–	$61,176	$61,176	$0	0%
COURT PAY	$2,381	$254	$254	$0	0%
POLICE LAG TIME	$3,482	$6,275	$6,557	$282	4%
IN SERVICE TRAINING	$6,025	$17,289	$17,289	$0	0%
EDUCATIONAL INCENTIVE PAY	$55,869	–	–	$0	–
QUINN EDUCATION INCENTIVE	$41,933	$114,132	$117,805	$3,673	3%
LONGEVITY PAY	$2,650	$4,583	$4,583	$0	0%
CAREER INCENTIVE PAY	–	$800	$800	$0	0%
SPECIALTY PAY	$750	–	–	$0	–
EMT PAY	$2,000	–	–	$0	–
POLICE POST PAY	$9,339	$34,688	$35,237	$549	2%
HOLIDAY PAY	$16,105	$36,386	$36,819	$433	1%
VACATION BUYOUT	$7,226	–	–	$0	–
A DAY BUYOUT	$9,165	$14,920	$14,920	$0	0%
CLOTHING-UNIFORM ALLOWANCE	$2,900	$4,675	$4,675	$0	0%
OFFSET	–	-$61,176	-$61,176	$0	0%
SALARIES TOTAL	**$1,127,519**	**$1,328,694**	**$1,345,232**	**$16,538**	**1%**
SERVICES					
BOTTLED WATER SERVICE	$6,671	$3,000	$3,000	$0	0%
OFFICE EQUIP R & M	–	$1,600	$1,600	$0	0%
D P EQUIP R & M	$539	$10,000	$10,000	$0	0%
COMPUTER SOFTWARE R & M	$840	$15,121	$15,121	$0	0%
COMMUNICATIONS EQUIP R & M	$78,250	$153,660	$153,660	$0	0%
MOTOR VEHICLE/EQUIP R & M	$4,462	–	–	$0	–
BUILDING MAINTENANCE	$1,975	$2,500	$2,500	$0	0%
OFFICE EQUIP RENTALS/LEAS	–	$550	$550	$0	0%

	ACTUAL	BUDGET	RECOMMENDED		
	FY2025	FY2026	FY2027	$ Chng	% Chng
COPY EQUIP RENTAL/LEASES	$8,624	$6,437	$6,437	$0	0%
PROFESSIONAL/TECH SERVICE	$5,481	$5,000	$5,000	$0	0%
TELEPHONE & TELEGRAPH	$27,124	–	–	$0	–
WIRELESS COMMUNICATIONS	$149,950	$119,500	$119,500	$0	0%
POSTAGE	$2,982	$2,500	$2,500	$0	0%
PRINTING SERVICES	–	$1,000	$1,000	$0	0%
DELIVERY SERVICES	–	$300	$300	$0	0%
LAUNDRY SERVICES	$2,813	$2,800	$2,800	$0	0%
SUBSCRIPTIONS	$595	–	–	$0	–
SERVICES TOTAL	**$290,305**	**$323,968**	**$323,968**	**$0**	**0%**
SUPPLIES					
OFFICE SUPPLIES	$559	$10,000	$10,000	$0	0%
MEALS & RECEPTIONS	$2,589	–	–	$0	–
FOOD FOR PRISONERS	–	$3,500	$4,000	$500	14%
BOOKS & PERIODICALS	$91	$2,000	$1,000	-$1,000	-50%
PUBLIC SAFETY SUPPLIES	$10,237	$7,557	$7,557	$0	0%
UNIFORMS & PROTECTIVE CLO	$14,227	$22,975	$22,975	$0	0%
SUPPLIES TOTAL	**$27,703**	**$46,032**	**$45,532**	**-$500**	**-1%**
OTHER					
IN STATE TRAVEL -OTHER	$2,061	$1,000	$1,000	$0	0%
EDUCATION/TRAINING/CONFERENCES	$8,964	$10,000	$12,000	$2,000	20%
OTHER TRAVEL	$177	–	–	$0	–
PROFESSIONAL DUES/MEMBERS	$8,808	$7,300	$7,300	$0	0%
OTHER TOTAL	**$20,010**	**$18,300**	**$20,300**	**$2,000**	**11%**
UTILITIES					
ELECTRICITY	$111,389	$131,094	$151,453	$20,359	16%
NATURAL GAS	$19,544	$20,494	$27,792	$7,298	36%
GENERATOR FUEL	–	$150	$150	$0	0%
GASOLINE	$95,415	$108,511	$103,006	-$5,505	-5%
DIESEL	–	$100	$100	$0	0%
WATER	$20,564	$14,777	$16,526	$1,749	12%
UTILITIES TOTAL	**$246,913**	**$275,126**	**$299,027**	**$23,901**	**9%**
BUDGETED CAPITAL					
AUTOMOBILES	$247,367	$300,122	$300,122	$0	0%
PUBLIC SAFETY EQUIPMENT-BUD	$31,037	$30,000	$30,000	$0	0%
LEASED COMPUTER EQUIPMENT	$24,153	$74,866	$77,295	$2,429	3%
BUDGETED CAPITAL TOTAL	**$302,558**	**$404,988**	**$407,417**	**$2,429**	**1%**
POLICE TOTAL	**$2,015,007**	**$2,397,108**	**$2,441,476**	**$44,368**	**2%**
POLICE TOTAL	**$2,015,007**	**$2,397,108**	**$2,441,476**	**$44,368**	**2%**
EXPENSES TOTAL	**$2,015,007**	**$2,397,108**	**$2,441,476**	**$44,368**	**2%**

Police Patrol Services

	ACTUAL	BUDGET	RECOMMENDED		
	FY2025	FY2026	FY2027	$ Chng	% Chng
Expenses					
POLICE					
POLICE					
SALARIES					
PERMANENT FULL TIME	$5,880,881	$6,834,054	$6,574,817	-$259,237	-4%
SHIFT DIFFERENTIAL	$267,899	$304,248	$301,166	-$3,082	-1%
WORKING OUT OF CLASS	$7,904	$12,775	$12,775	$0	0%
OVERTIME PAY	$1,333,773	$646,343	$717,289	$70,946	11%
PART TIME TEMPORARY SAL	$64,817	$70,946	–	-$70,946	-100%
COURT PAY	$20,345	$151,272	$151,272	$0	0%
POLICE LAG TIME	$72,912	$135,597	$140,639	$5,042	4%
IN SERVICE TRAINING	$213,697	$282,526	$282,526	$0	0%
EDUCATIONAL INCENTIVE PAY	$2,635	–	–	$0	–
QUINN EDUCATION INCENTIVE	$550,733	$1,077,748	$1,053,559	-$24,189	-2%
LONGEVITY PAY	$27,158	$28,577	$28,577	$0	0%
CAREER INCENTIVE PAY	$460,408	$16,800	$16,800	$0	0%
SPECIALTY PAY	$9,550	$5,000	$5,000	$0	0%
EMT PAY	$4,000	$14,350	$14,350	$0	0%
POLICE POST PAY	$347,085	$471,148	$460,797	-$10,351	-2%
SICK PAY BUYOUT	$4,455	–	–	$0	–
SICK BUYOUT - 2 FOR 1-RETIREAB	$2,601	–	–	$0	–
HOLIDAY PAY	$365,521	$461,260	$470,001	$8,741	2%
VACATION BUYOUT	$73,062	–	–	$0	–
A DAY BUYOUT	$24,510	$31,107	$31,107	$0	0%
INJURED ON THE JOB	$144,633	–	–	$0	–
CLOTHING-UNIFORM ALLOWANCE	$7,100	$9,750	$9,750	$0	0%
SALARIES TOTAL	**$9,885,682**	**$10,553,501**	**$10,270,425**	**-$283,076**	**-3%**
SERVICES					
PUBLIC SAFETY EQUIP R & M	–	$4,832	$4,832	$0	0%
SOFTWARE SERVICE CONTRACT	$0	–	–	$0	–
GENERAL CONSULT SERVICES	$2,495	–	–	$0	–
PROFESSIONAL/TECH SERVICE	$750	–	–	$0	–
VETERINARY SERVICES	$3,277	$5,000	$5,000	$0	0%
SERVICES TOTAL	**$6,522**	**$9,832**	**$9,832**	**$0**	**0%**
SUPPLIES					
MEALS & RECEPTIONS	$1,158	$1,250	$1,250	$0	0%
PUBLIC SAFETY SUPPLIES	$1,509	$65,825	$75,825	$10,000	15%
UNIFORMS & PROTECTIVE CLO	$30,987	$35,525	$34,046	-$1,479	-4%
SUPPLIES TOTAL	**$33,654**	**$102,600**	**$111,121**	**$8,521**	**8%**
OTHER					
EDUCATION/TRAINING/CONFERENCES	$9,417	$7,500	$7,500	$0	0%
OTHER TOTAL	**$9,417**	**$7,500**	**$7,500**	**$0**	**0%**
BUDGETED CAPITAL	$0	–	–	$0	–
POLICE TOTAL	**$9,935,274**	**$10,673,433**	**$10,398,878**	**-$274,555**	**-3%**
POLICE TOTAL	**$9,935,274**	**$10,673,433**	**$10,398,878**	**-$274,555**	**-3%**
EXPENSES TOTAL	**$9,935,274**	**$10,673,433**	**$10,398,878**	**-$274,555**	**-3%**

Police Investigation Services

	ACTUAL	BUDGET	RECOMMENDED		
	FY2025	FY2026	FY2027	$ Chng	% Chng
Expenses					
POLICE					
POLICE					
SALARIES					
PERMANENT FULL TIME	$2,279,750	$2,343,973	$2,398,700	$54,727	2%
SHIFT DIFFERENTIAL	$32,831	$43,289	$45,230	$1,941	4%
WORKING OUT OF CLASS	$1,376	–	–	$0	–
OVERTIME PAY	$536,025	$204,668	$204,668	$0	0%
COURT PAY	$14,606	$44,061	$44,061	$0	0%
POLICE LAG TIME	$56,483	$32,197	$37,392	$5,195	16%
IN SERVICE TRAINING	$81,830	$79,519	$79,519	$0	0%
QUINN EDUCATION INCENTIVE	$278,968	$379,309	$390,790	$11,481	3%
LONGEVITY PAY	$9,350	$18,045	$18,045	$0	0%
CAREER INCENTIVE PAY	$89,399	$1,600	$1,600	$0	0%
SPECIALTY PAY	$10,271	$17,550	$17,550	$0	0%
EMT PAY	$2,000	–	–	$0	–
POLICE POST PAY	$109,321	$147,162	$150,708	$3,546	2%
SICK BUYOUT - 2 FOR 1-RETIREAB	$1,995	–	–	$0	–
HOLIDAY PAY	$125,857	$108,872	$112,415	$3,543	3%
A DAY BUYOUT	$16,408	$34,644	$34,644	$0	0%
CLOTHING-UNIFORM ALLOWANCE	$11,850	$12,000	$12,000	$0	0%
SALARIES TOTAL	**$3,658,320**	**$3,466,889**	**$3,547,322**	**$80,433**	**2%**
SERVICES					
SOFTWARE LICENSES	–	$4,250	$4,250	$0	0%
OTHER RENTALS/LEASES	$1,636	–	–	$0	–
SERVICES TOTAL	**$1,636**	**$4,250**	**$4,250**	**$0**	**0%**
SUPPLIES					
OFFICE SUPPLIES	–	$1,000	$1,000	$0	0%
PUBLIC SAFETY SUPPLIES	$1,389	$500	$500	$0	0%
UNIFORMS & PROTECTIVE CLO	$627	$1,500	$1,500	$0	0%
SUPPLIES TOTAL	**$2,016**	**$3,000**	**$3,000**	**$0**	**0%**
OTHER					
EDUCATION/TRAINING/CONFERENCES	$3,971	$1,000	$1,000	$0	0%
OTHER TOTAL	**$3,971**	**$1,000**	**$1,000**	**$0**	**0%**
BUDGETED CAPITAL					
PUBLIC SAFETY EQUIPMENT-BUD	$4,322	–	–	$0	–
BUDGETED CAPITAL TOTAL	**$4,322**	**–**	**–**	**$0**	**–**
POLICE TOTAL	**$3,670,265**	**$3,475,139**	**$3,555,572**	**$80,433**	**2%**
POLICE TOTAL	**$3,670,265**	**$3,475,139**	**$3,555,572**	**$80,433**	**2%**
EXPENSES TOTAL	**$3,670,265**	**$3,475,139**	**$3,555,572**	**$80,433**	**2%**

Police Community Relations

	ACTUAL	BUDGET	RECOMMENDED		
	FY2025	FY2026	FY2027	$ Chng	% Chng
Expenses					
POLICE					
POLICE					
SALARIES					
PERMANENT FULL TIME	$955,563	$973,596	$992,549	$18,953	2%
SHIFT DIFFERENTIAL	$8,577	$8,811	$9,206	$395	4%
OVERTIME PAY	$155,340	$79,888	$79,888	$0	0%
COURT PAY	$1,917	$1,099	$1,099	$0	0%
POLICE LAG TIME	$24,037	$24,550	$25,650	$1,100	4%
IN SERVICE TRAINING	$28,690	$39,884	$39,884	$0	0%
QUINN EDUCATION INCENTIVE	$163,412	$193,649	$201,155	$7,506	4%
LONGEVITY PAY	$4,800	$6,483	$6,483	$0	0%
CAREER INCENTIVE PAY	$23,213	$400	$400	$0	0%
SPECIALTY PAY	$3,191	–	–	$0	–
EMT PAY	$2,000	–	–	$0	–
POLICE POST PAY	$41,216	$58,659	$59,891	$1,232	2%
SICK PAY BUYOUT	$2,402	–	–	$0	–
SICK BUYOUT - 2 FOR 1-RETIREAB	$1,182	–	–	$0	–
HOLIDAY PAY	$46,711	$55,759	$57,905	$2,146	4%
VACATION BUYOUT	$5,374	–	–	$0	–
A DAY BUYOUT	$7,862	$5,658	$5,658	$0	0%
CLOTHING-UNIFORM ALLOWANCE	$1,050	$450	$450	$0	0%
SALARIES TOTAL	**$1,476,538**	**$1,448,886**	**$1,480,218**	**$31,332**	**2%**
SERVICES					
OTHER EQUIPMENT RENTAL/LEASE	$275	$1,500	$1,500	$0	0%
GENERAL CONSULT SERVICES	$840	–	–	$0	–
PROFESSIONAL/TECH SERVICE	$1,548	–	–	$0	–
SUBSCRIPTIONS	$120	–	–	$0	–
SERVICES TOTAL	**$2,783**	**$1,500**	**$1,500**	**$0**	**0%**
SUPPLIES					
OFFICE SUPPLIES	$96	–	–	$0	–
MEALS & RECEPTIONS	$1,976	–	–	$0	–
PUBLIC SAFETY SUPPLIES	$688	$3,500	$3,500	$0	0%
UNIFORMS & PROTECTIVE CLO	–	$500	$500	$0	0%
SUPPLIES TOTAL	**$2,760**	**$4,000**	**$4,000**	**$0**	**0%**
OTHER					
EDUCATION/TRAINING/CONFERENCES	$1,713	$4,000	$4,000	$0	0%
OTHER TOTAL	**$1,713**	**$4,000**	**$4,000**	**$0**	**0%**
POLICE TOTAL	**$1,483,794**	**$1,458,386**	**$1,489,718**	**$31,332**	**2%**
POLICE TOTAL	**$1,483,794**	**$1,458,386**	**$1,489,718**	**$31,332**	**2%**
EXPENSES TOTAL	**$1,483,794**	**$1,458,386**	**$1,489,718**	**$31,332**	**2%**

Police Traffic Control

	ACTUAL	BUDGET	RECOMMENDED		
	FY2025	FY2026	FY2027	$ Chng	% Chng
Expenses					
POLICE					
POLICE					
SALARIES					
PERMANENT FULL TIME	$2,028,852	$1,863,899	$1,834,516	-$29,383	-2%
PERMANENT PART TIME	$28,376	$179,308	$179,308	$0	0%
SHIFT DIFFERENTIAL	$15,446	$17,165	$17,934	$769	4%
WORKING OUT OF CLASS	$1,296	$7,070	$7,070	$0	0%
OVERTIME PAY	$294,156	$45,098	$45,098	$0	0%
PART TIME TEMPORARY SAL	$628	–	–	$0	–
COURT PAY	$3,325	$25,706	$25,706	$0	0%
POLICE LAG TIME	$26,991	$15,582	$16,280	$698	4%
IN SERVICE TRAINING	$35,089	$34,135	$34,135	$0	0%
QUINN EDUCATION INCENTIVE	$217,269	$201,010	$208,861	$7,851	4%
LONGEVITY PAY	$11,490	$10,112	$10,112	$0	0%
CAREER INCENTIVE PAY	$18,174	$400	$400	$0	0%
SPECIALTY PAY	$3,000	$2,250	$2,250	$0	0%
POLICE POST PAY	$53,174	$65,011	$66,315	$1,304	2%
HOLIDAY PAY	$60,640	$50,432	$52,169	$1,737	3%
A DAY BUYOUT	$13,079	$19,041	$19,041	$0	0%
INJURED ON THE JOB	$76,681	–	–	$0	–
CLOTHING-UNIFORM ALLOWANCE	$13,000	$6,415	$6,415	$0	0%
AUTO ALLOWANCE	$10,211	$9,080	$9,080	$0	0%
SALARIES TOTAL	**$2,910,877**	**$2,551,714**	**$2,534,690**	**-$17,024**	**-1%**
SERVICES					
D P EQUIP R & M	$4,173	$1,450	$1,450	$0	0%
MOTOR VEHICLE/EQUIP R & M	–	$2,500	$2,500	$0	0%
SOFTWARE SERVICE CONTRACT	$3,800	–	–	$0	–
SOFTWARE LICENSES	$1,500	–	–	$0	–
PROFESSIONAL/TECH SERVICE	$260,622	$280,050	$340,050	$60,000	21%
POSTAGE	$886	$2,500	$2,500	$0	0%
PRINTING SERVICES	$3,999	$4,000	$4,000	$0	0%
SERVICES TOTAL	**$274,980**	**$290,500**	**$350,500**	**$60,000**	**21%**
SUPPLIES					
OFFICE SUPPLIES	$1,680	$1,000	$1,000	$0	0%
PUBLIC SAFETY SUPPLIES	$4,241	$3,250	$3,250	$0	0%
UNIFORMS & PROTECTIVE CLO	$7,382	$4,250	$4,250	$0	0%
SUPPLIES TOTAL	**$13,302**	**$8,500**	**$8,500**	**$0**	**0%**
OTHER					
EDUCATION/TRAINING/CONFERENCES	–	$500	$500	$0	0%
OTHER TOTAL	**–**	**$500**	**$500**	**$0**	**0%**
BUDGETED CAPITAL					
AUTOMOBILES	$69,794	–	–	$0	–
BUDGETED CAPITAL TOTAL	**$69,794**	**–**	**–**	**$0**	**–**
POLICE TOTAL	**$3,268,954**	**$2,851,214**	**$2,894,190**	**$42,976**	**2%**
POLICE TOTAL	**$3,268,954**	**$2,851,214**	**$2,894,190**	**$42,976**	**2%**
EXPENSES TOTAL	**$3,268,954**	**$2,851,214**	**$2,894,190**	**$42,976**	**2%**

Police Public Safety Dispatch

	ACTUAL	BUDGET	RECOMMENDED		
	FY2025	FY2026	FY2027	$ Chng	% Chng
Expenses					
POLICE					
POLICE					
SALARIES					
PERMANENT FULL TIME	$816,925	$1,048,441	$1,053,398	$4,957	0%
SHIFT DIFFERENTIAL	$20,867	$19,482	$27,328	$7,846	40%
WORKING OUT OF CLASS	$4,922	–	–	$0	–
OVERTIME PAY	$90,633	$21,055	$21,055	$0	0%
OVERTIME PAY - SPECIAL PROGRAM	$894	–	–	$0	–
IN SERVICE TRAINING	$0	$1,998	$1,998	$0	0%
EDUCATIONAL INCENTIVE PAY	$3,583	$3,519	$3,450	-$69	-2%
QUINN EDUCATION INCENTIVE	–	$17,093	$17,332	$239	1%
LONGEVITY PAY	$3,625	$3,475	$3,475	$0	0%
CAREER INCENTIVE PAY	$17,476	–	–	$0	–
POLICE POST PAY	$1,836	–	–	$0	–
SICK PAY BUYOUT	$6,162	–	–	$0	–
HOLIDAY PAY	$41,663	$52,097	$52,389	$292	1%
VACATION BUYOUT	$12,580	–	–	$0	–
A DAY BUYOUT	$2,247	–	–	$0	–
CLOTHING-UNIFORM ALLOWANCE	$6,090	$4,500	$4,500	$0	0%
SALARIES TOTAL	**$1,029,503**	**$1,171,660**	**$1,184,925**	**$13,265**	**1%**
SERVICES					
SOFTWARE SERVICE CONTRACT	$1,888	–	–	$0	–
SERVICES TOTAL	**$1,888**	**–**	**–**	**$0**	**–**
SUPPLIES					
OFFICE SUPPLIES	–	$300	$300	$0	0%
PUBLIC SAFETY SUPPLIES	$480	–	–	$0	–
UNIFORMS & PROTECTIVE CLO	$583	$2,750	$2,750	$0	0%
SUPPLIES TOTAL	**$1,063**	**$3,050**	**$3,050**	**$0**	**0%**
OTHER					
EDUCATION/TRAINING/CONFERENCES	–	$3,200	$3,200	$0	0%
OTHER TOTAL	**–**	**$3,200**	**$3,200**	**$0**	**0%**
POLICE TOTAL	**$1,032,454**	**$1,177,910**	**$1,191,175**	**$13,265**	**1%**
POLICE TOTAL	**$1,032,454**	**$1,177,910**	**$1,191,175**	**$13,265**	**1%**
EXPENSES TOTAL	**$1,032,454**	**$1,177,910**	**$1,191,175**	**$13,265**	**1%**

Police Animal Control

	ACTUAL	BUDGET	RECOMMENDED		
	FY2025	**FY2026**	**FY2027**	**$ Chng**	**% Chng**
Expenses					
POLICE					
POLICE					
SALARIES					
PERMANENT FULL TIME	$63,094	$78,635	$80,034	$1,399	2%
SHIFT DIFFERENTIAL	–	–	$6,448	$6,448	–
OVERTIME PAY	$6,286	$12,633	$12,633	$0	0%
POLICE LAG TIME	$3,127	$2,521	$2,472	-$49	-2%
IN SERVICE TRAINING	$2,707	$4,028	$4,028	$0	0%
QUINN EDUCATION INCENTIVE	–	–	$19,250	$19,250	–
LONGEVITY PAY	$500	$650	$650	$0	0%
CAREER INCENTIVE PAY	$17,686	–	–	$0	–
SPECIALTY PAY	$3,500	$3,500	$3,500	$0	0%
POLICE POST PAY	$4,497	$5,111	$5,202	$91	2%
HOLIDAY PAY	$5,082	$4,997	$5,150	$153	3%
A DAY BUYOUT	–	$1,704	$1,704	$0	0%
INJURED ON THE JOB	$18,677	–	–	$0	–
CLOTHING-UNIFORM ALLOWANCE	$50	$50	$50	$0	0%
SALARIES TOTAL	**$125,207**	**$113,829**	**$141,121**	**$27,292**	**24%**
SUPPLIES					
PUBLIC SAFETY SUPPLIES	–	$250	$250	$0	0%
SUPPLIES TOTAL	**–**	**$250**	**$250**	**$0**	**0%**
OTHER					
EDUCATION/TRAINING/CONFERENCES	–	$300	$300	$0	0%
OTHER TOTAL	**–**	**$300**	**$300**	**$0**	**0%**
POLICE TOTAL	**$125,207**	**$114,379**	**$141,671**	**$27,292**	**24%**
POLICE TOTAL	**$125,207**	**$114,379**	**$141,671**	**$27,292**	**24%**
EXPENSES TOTAL	**$125,207**	**$114,379**	**$141,671**	**$27,292**	**24%**

Five-Year FTE Summary

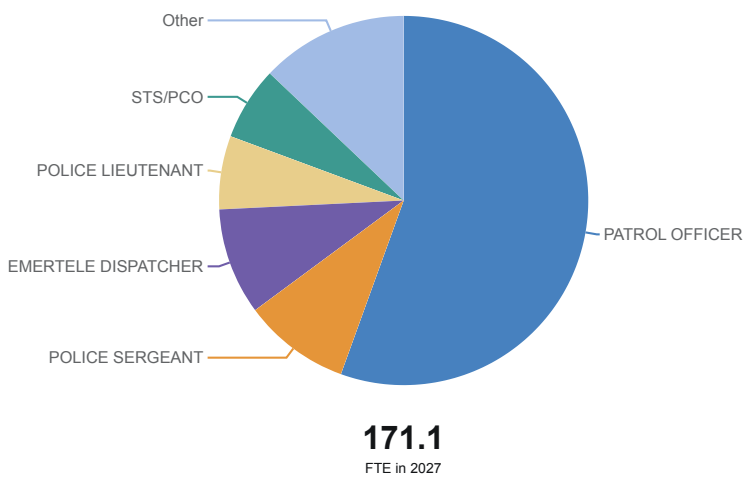
Police

	FULL-TIME EQUIVALENTS (FTES)						
	FY2023	**FY2024**	**FY2025**	**FY2026**	**FY2027**	**1YR Chng**	**5YR Chng**
All Positions							
POLICE	179.80	175.80	173.30	172.30	171.10	-1.20	-8.70
ALL POSITIONS TOTAL	**179.80**	**175.80**	**173.30**	**172.30**	**171.10**	**-1.20**	**-8.70**
Non-General Funded Positions							
Capital & Special Appropriations	–	–	1.00	–	–	0.00	0.00
Grants and External Sources	–	–	3.00	2.00	3.00	1.00	3.00
NON-GENERAL FUNDED POSITIONS TOTAL	**–**	**–**	**4.00**	**2.00**	**3.00**	**1.00**	**3.00**
Net General Funded Positions	179.80	175.80	169.30	170.30	168.10	–	–

FY27 FTE Summary

Police

Data Updated Feb 13, 2026, 6:19 PM



Police

	Budget	FTEs
POLICE CHIEF	192,367	1
SUPT OF POLICE	174,508	1
DEPUTY SUPT	662,358	4
POLICE LIEUTENANT	1,358,415	11
POLICE SERGEANT	1,654,538	16
PATROL OFFICER	8,121,720	95
PUB SAF BUSINESS MGR	49,335	0.5
CF EMER TELECOM DISP	96,186	1
SOCIAL SERVICES MGR	100,427	1
VIOLENCE PREV ADVOCATE	80,115	1
BUSINESS/ADMIN MANAGER - POLICE	73,562	1
PARKING MTR COLLECTR	67,674	1
EMERTELE DISPATCHER	957,212	16
EXECUTIVE ASSISTANT	68,955	1
PSBO SR CLERK TYPIST - POLICE	90,631	1.5
SR CLRK TYP	117,919	2
STS/PCO	609,752	11
CIT COOR CLINICAL SERV	80,115	1
CIT CO-RESPONSE CLINICIAN	74,180	1
CRIME ANALYST	71,152	1
PARKING CONTROL OFFICER (PCO) PT	100,909	1.92
SCHOOL TRAFFIC SUPERVISOR (STS) PT	78,399	1.18
TOTAL	**14,880,429**	**171.1**

POLICE PERFORMANCE / WORKLOAD INDICATORS	ACTUAL FY 2024	ACTUAL FY2025	ESTIMATE FY 2026	ESTIMATE FY2027	Unit/Division
Inspectional Services					
Alcohol Administrative Inspections - Passed	2	10	10	13	Liquor/Patrol
Alcohol Administrative Inspections - Failed Warnings	16	32	20	20	Liquor/Patrol
Alcohol Administrative Inspection - Failed TBL Fine	1	0	2	2	Liquor/Patrol
Alcohol Owner /Management Changes & Investigations	20	19	30	25	Liquor/Patrol
One & Two Day Alcohol Licenses/ Permits	22	43	60	60	Liquor/Patrol
Registered Marijuana Dispensaries	4	3	4	3	MJ/Detectives
Registered Marijuana Dispensary Inspections	16	12	16	12	MJ/Detectives
Rooming Houses Inspected	47	50	50	50	Lodging/Patrol
Detective Division					
Domestic Violence Investigations	76	85	80	105	DV Unit/Detectives
Crimes Solved through Fingerprint IDs	9	12	10	11	ID Unit/Detectives
Crimes Solved through DNA	0	3	3	4	ID Unit/Detectives
Licenses to Carry Firearms Issued/Renewed	197	260	225	230	ID/Detectives
Firearms Identification Cards (FID) Issued	13	20	15	25	ID/Detectives
Fingerprints Taken for Community Members	171	210	200	250	ID/Detectives
Town Counsel Investigations	N/A				Town Counsel/Detectives
Community Service					
Students in AWARE/Educational Programs	0	0	0	0	YRO/CSD
BHS Citizen Police Academy Graduates	38	47	40	45	YRO/CSD
Women Participating in Self Defense Classes	110	0	130	60	CSD
Community Events Hosted	-	-	-	15	CSD
School/Community Active Threat Trainings	12	11	10	12	CSD
Comfort Dog/Handler Visits	120	95	140	120	CSD
Child Seats Inspected	155	140	160	150	CSD
Social Media Engagement:					
Facebook Followers	7,851	9,707	9,000	9,500	PIO/CSD
Twitter Followers	11,000	10,842	12,500	13,000	PIO/CSD
Instagram Followers	3,313	4,379	4,000	4,500	PIO/CSD

YouTube Followers	142	192	185	200	PIO/CSD
Website Hits	167,231		185,000	185,000	PIO/CSD
Traffic					
Taxi Vehicles Inspections	0	0	0		Traffic
Hackney Licenses Issued	8	2	10		Traffic
Parking Tickets Issued	104,247	105,034	110,000	112,000	Traffic
Parking Tickets Paid Online	60,857	60,140	61,000	61,500	Traffic
Parking Tickets Appealed Online	10,920	10,643	11,500	12,000	Traffic
Parking Ticket Hearings	12,713	12,346	13,500	14,000	Traffic
Moving Violations	4,421	6,101	5,000	6,000	Traffic
Traffic Crashes Responded To	1,447	1,324	1,450	1,500	CAU/CSD
Emergency Management					
Community Emergency Response Team (CERT) Members Trained	20		50	75	EM/CSD/Patrol
CERT Activations (shelters, vax clinics, storms, events, etc)	10		12	10	EM/CSD/Patrol
Community Presentations on Emergency Preparedness	15		22	15	EM/CSD/Patrol
Emergency Operation Center (EOC) Activations	2		3	5	EM/CSD/Patrol
Dispatch					
Police-related Calls	52,529	55,619	53,000	55,000	Dispatch
Self-Initiated Police Calls	19, 871	26,197	25,000	25,000	Dispatch
Fire-related Calls	10,122	10,275	10,500	10,500	Dispatch
Medical Calls	5,719	5,780	5,800	5,850	CAU/CSD
E-911 Calls	19,976	19,710	20,000	21,000	Dispatch
Grants Awarded:					
Police	$ 592,384	$ 485,000	$ 600,000	$ 600,000	PSBO
Urban Areas Security Initiatives (UASI)	$ 447,447	$ 447,447	$ 447,447	$ 447,447	PSBO

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BROOKLINE MASSACHUSETTS

Brookline Police Department FY27 Budget

Chief Jennifer Paster
PSBO Manager Elizabeth Scott



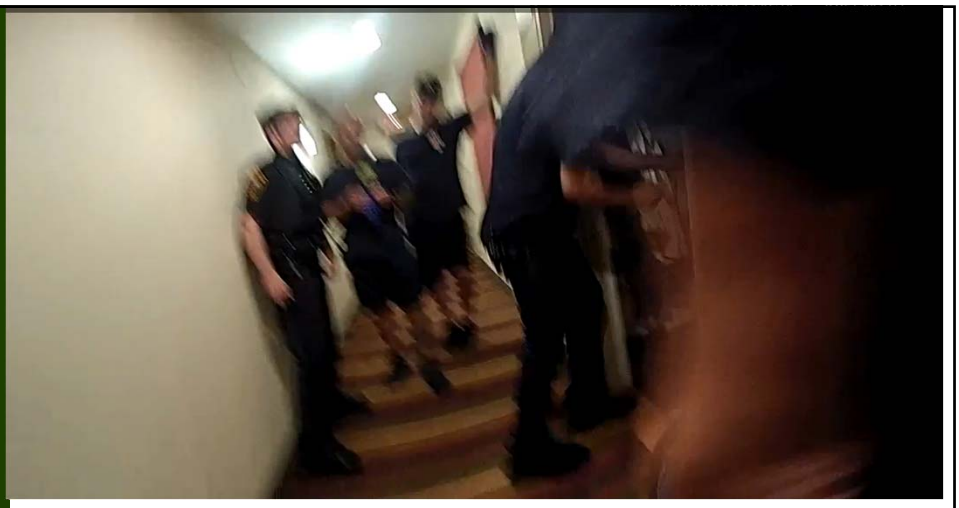
FY26 Accomplishments



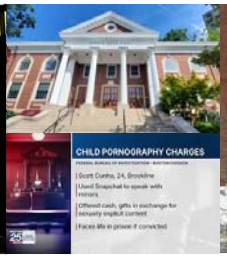
- Modernized Recruitment, Hiring, and Promotional Practices
- Secured new grant funding for Improved Mental Health Response
- Fleet Modernization & Facility Improvements

Commendable & High Profile Police Incidents- FY26

- C#25-3827- Life-Saving Medal Recommendation
- C#26-549- BHS Swatting Incident
- ICAC Cases
- Shots fired at TBZ the arrest of Carlos Gouvea
- MIT Professor Nuno Loureiro









FY27 Police Department Personnel

The FY26 Personnel Budget proposal reduced funding for our sworn staffing level by 6.0 positions. In an override scenario, funding for these positions will be restored.

We currently have 15 vacancies, with an open ATH for 9 of those. 8 conditional offers of employment have gone out for an academy class beginning in May 2026.

Two officers are out on long-term medical leave; one is not expected to return, with the second unclear at this time.

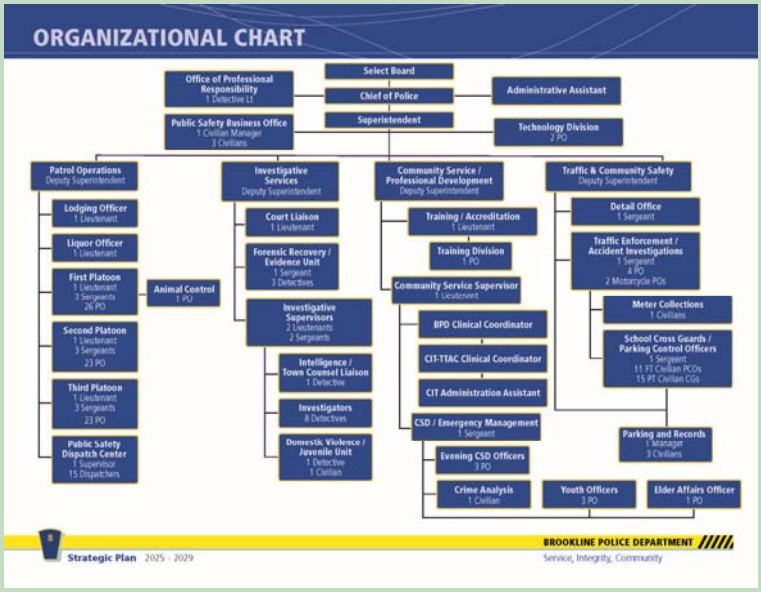
Two officers will retire before June 30, 2026, and another two are eligible for full pensions as of this date. One officer must retire in November 2026 due to a state-mandated maximum leave.





Eight officers and one dispatcher have obligations to the National Guard or Reserves; One Lieutenant, one officer, and one dispatcher are on deployment for at least one year.

FY27 Police Department Personnel (continued)



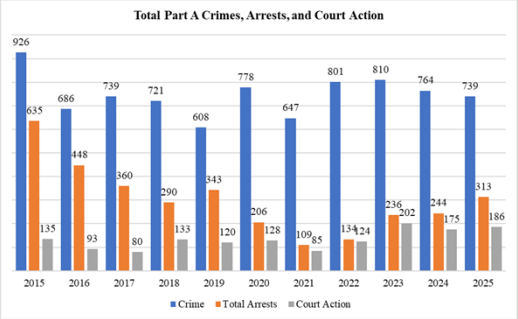


2025 Crimes, Activity, and Calls

PART A CRIMES: 739 (DOWN 3.27%)

- Murder: 1 (up from 0)
- Rape: 5 (up 66.67%)
- Robbery: 8 (no change)
- Assault: 155 (up 15.67%)
- Burglary: 50 (down 9.09%)
- Larceny: 506 (down 7.33%)
- Motor Vehicle Thefts: 14 (down 22.22%)

Crime	2023	2024	2025	Previous Year Change
Murder	0	0	1	100%
Rape	4	3	5	67%
Robbery	11	8	8	0%
Assault	142	134	155	16%
Total Violent Crime	157	145	169	17%
Burglary	40	55	50	-9%
Larceny	594	546	506	-7%
MV Theft	19	18	14	-22%
Total Property Crime	653	619	570	-8%
Crime Index Total	810	764	739	-3%



Revenue (2025)

- In 2025, there were 107,373 parking violations issued and processed with the Traffic/Parking Division, 73,911 of which were paid. The division collected $1,985,875.00 in fines and penalties.
- Detail Surcharges: Detail collections for 2025 totaled $480,168- a 52% increase from the $314,971 collected in 2024.

  On Sunday, March 23, 2025, the base detail rate increased from $57.00 to $75.00 per hour, with higher rates charged for nights, weekends, holidays, and strikes. Supervisors receive, at a minimum, $25.00/hour on top of the base detail rate. The town charges a 10% hourly surcharge on all private details.
- GRANTS:
  - CIT-TTAC: $311,000
  - 911 TRAINING GRANT: $33,280
  - 911 OPERATIONS: $248,276
  - MRS/EOPS TRAFFIC GRANT: $42,593
  - JAG GRANT- $19,993

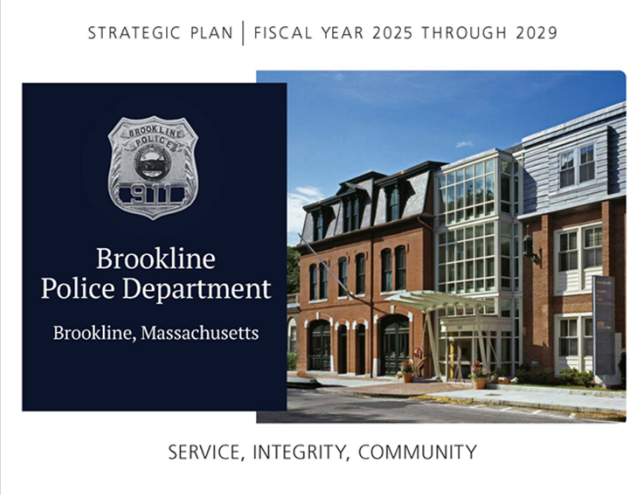
DRUG FORFEITURE MONEY: $10,436.00 in Calendar year 2025



Pre-Pandemic v. FY27 Non-Salary Budget

	2020	FY2024	FY2025	FY26	Proposed FY27	Actual change	% Change from FY26	% Change from 2020
Services	719,471.00	536,731.00	625,313.00	755,050.00	815,050.00	60,000.00	**8%**	**13%**
Supplies	219,900.00	137,857.00	137,857.00	167,432.00	175,453.00	8,021.00	**5%**	20%
Training	74,000.00	65,825.00	31,300.00	34,800.00	36,800.00	2,000.00	**6%**	50%
Capital Expenses	556,169.00	426,581.00	418,749.00	404,988.00	407,417.00	2,429.00	**1%**	27%
Total	1,569,540.00	1,132,469.00	1,213,219.00	1,262,270.00	1,434,720.00	172,450.00	**14%**	9%

FY27 Key Goals



- **Recruit, Retain, and Support a High-Quality Workforce**
- **Strengthen Community Engagement and Public Trust**
- **Modernize Technology, Infrastructure, and Operations**
- **Ensure Fiscal Stewardship and Long-Term Sustainability**



QUESTIONS?

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www.brooklinepolice.com

Program Description

The primary role of the Brookline Fire Department is to provide exemplary fire and emergency response services to our community. Our professional objectives are; to prevent the occurrence of fires through the sound application of established fire prevention principles including engineering, education and enforcement; to efficiently and effectively protect lives and property should a fire occur; to deliver comprehensive first-responder emergency medical services; to provide initial technical rescue capabilities including hazardous materials response; trench rescue; collapse rescue; high-angle rescue, swift and deep-water rescue; and to offer engaging community risk-reduction education to high-risk populations.

The department consistently meets or exceeds initial response national standards for the delivery of emergency services. Our community is one of only a handful of communities in Massachusetts to meet the minimum staffing requirements set by the National Fire Protection Association (NFPA). The Department is a core component of the Town's Public Safety System and provides critical lifesaving basic emergency medical services in concert with our Advanced Life Support (ALS) partners, Coastal Ambulance Inc. We are pleased to have recently extended our contract with Coastal for another 5-years. This contract maintains two Advanced Life Support (ALS) ambulances (24/7) and one Basic Life Support (BLS) ambulance (during peak hours) within town borders and provides for ample additional resources as "back-up" in close proximity (Newton, Dedham, Quincy).

The Department is broken into the following five sub-programs:

1. The primary mission of the **Administration Sub-program** is to provide consistent professional leadership throughout the agency, and to deliver budgetary oversight and policy direction for the Department. The assigned administrative staff includes the Chief of Department, the Chief of Operations, the Executive Assistant to the Fire Chief, and an IT Systems Analyst. Payroll, accounts payable and receivable, and budget analysis are supported by the Public Safety Business Office, (a shared resource with the Police Department).
2. The **Suppression Sub-program** responds to all 911 emergency calls for service; this critical component extinguishes fires should they occur; provides initial investigation of cause and origin; initiates emergency medical care through highly trained EMT-staffed fire companies; performs primary technical rescue services; and initiates in-service inspections and pre-fire planning. To deliver these services we maintain seven front-line fire companies, five engine companies and two ladder trucks, each with minimum staffing of four firefighters. They are housed in five fire stations, strategically located to maximize coverage and minimize response times.
3. The **Fire Prevention Sub-program** enforces all applicable fire-service related laws and ordinances; issues a myriad of fire permits; performs critical life-safety inspectional services, investigates all fires and forwards appropriate reports to the State Fire Marshal; educates the public on fire prevention topics and techniques; manages in-service fire company inspections; handles fire safety-related citizen complaints; and approves

building plans relating to fire protection. One Deputy Chief, one Captain and two Lieutenants staff this Division.

4. The **Training Sub-program** constructs and delivers vital "developmental" training to all of our uniformed personnel. After initial training, it is critical to maintain proficiency through the on-going development of required skills through continuous "hands on" and classroom training. Our Training staff further instructs newly graduated firefighters in those basic skills not covered in the academy as well as those unique to our community. They coordinate regional, state and federal satellite training programs and test new firefighting equipment and techniques for potential local applicability. Members of this unit also augment our Suppression staff and serve as department Safety Officers at all fire scenes. It is staffed by one each, Deputy Chief, Captain and Lieutenant.
5. The **Equipment Maintenance Sub-program** repairs and maintains the Department's apparatus, support and staff vehicles and their related equipment, such as hoses, fittings, self-contained breathing apparatus, and emergency tools. The goal of the Division is to ensure that the Department's fleet of vehicles and emergency equipment are in working condition at all times. A Chief Mechanic and a Senior Fire Apparatus Repairman staff this division.
6. The **Emergency Management Sub-program** has quickly established itself as an imperative function of Town government. Since becoming fully functional during the global pandemic in 2021, the EM Sub-program has become fully engaged in the updating and modernization of all local emergency planning and coordinated inter-departmental training It centralizes the administration of the various emergency management functions of the Town such as, preparing and maintaining the Emergency Operations Plan, ensuring the functionality and staffing of the Emergency Operations Center, seeking and administering EM grants, coordination of the Town's Local Emergency Planning Committee (LEPC) as well as the much heralded Citizens Emergency Response Teams (CERT).

FY27 Objectives

1. To advance the development of effective strategies to minimize health and safety risks to firefighters.
2. Complete the renovation of our second fire station; the iconic Station 1 in Brookline Village, and begin construction of a new energy-efficient fire station to replace Station 5 on Babcock St.
3. To advocate and sustain a strong culture of diversity, inclusion and equity on the department in in our service to the community.
4. To continue to help develop and advance the goals and objectives of the Town’s Emergency Management Team.
5. To continue to leverage state and federal grant funding for firefighter training, safety and wellness.
6. To work collaboratively with our community and regional partners.
7. To initiate, promote and deliver professional development opportunities for future department leadership.
8. To deliver high-quality proficiency and developmental firefighter skills training.
9. To provide continuing education classes for all current Emergency Medical Technicians.

FY26 Accomplishments

1. Began the long-anticipated renovation and site work at Station 4; finalized all renovation plans for Station 1; and commissioned a full feasibility study for the Station 5 project.
2. Leveraged remaining ARPA funding to stabilize the impact of the firefighter Personal Protective Equipment (PPE) replacement program on the FY 26 and FY 27 budgets.
3. Convened a joint labor-management committee to coordinate the purchase of PFAS-free Personal Protective Equipment starting in FY 28.
4. Completed the modernization (e-version) and redrafting of the Town's Comprehensive Emergency Managment Plan.
5. Continued to leverage State and Federal grant funding and began assessment of reduced grant opportunities in the future, as well as their impact on the town-wide strategic planning.
6. Successful on-boarding of the Town’s new mass communication (Alert Brookline) as well as the Smart911 voluntary citizen safety profile, which provides first responders with critical information.
7. Continued the improvements to the Emergency Operations Center, alternative dispatch center infrastructure and audio-visual infrastructure.

8. Provided mission-critical support to our public health and public safety partners in Town.

Standard FY26 Accomplishments

1. Maintained a Class 1 I.S.O. (Insurance Services Office) certification, resulting in an overall cost saving for all fire insurance policies within the town.
2. Continued to help develop and advance the goals and objectives of the Town's Emergency Management Team through active participation and collaboration.
3. Responded to over 95% of calls in fewer than 4 minutes, exceeding NFPA 1710 minimum response time standards.
4. Responded to 100% of all structure fires with a full first alarm assignment, in compliance with NFPA 1710 standards.
5. Fire Prevention Division oversaw the inspections of all residential buildings containing six or more units, for fire/safety hazards. These 539 inspections were performed by in service suppression companies.
6. Fire Prevention also conducted all state mandated inspections of school, medical, lodging house and lubritorium facilities.
7. Trained/refreshed the department membership in both proficiency and developmental firefighting practices.
8. Supported Town Clerk with annual election cycles, logistics and volunteers.

Fire Department Summary Budget

	ACTUAL	BUDGET	RECOMMENDED		
	FY2025	FY2026	FY2027	$ Chng	% Chng
Expenses					
FIRE					
FIRE					
SALARIES	$19,162,231	$19,195,924	$19,374,084	$178,160	1%
SERVICES	$208,138	$224,096	$224,096	$0	0%
SUPPLIES	$105,668	$126,952	$126,952	$0	0%
OTHER	$23,563	$27,100	$27,100	$0	0%
UTILITIES	$252,629	$272,860	$282,291	$9,431	3%
BUDGETED CAPITAL	$125,377	$174,572	$228,543	$53,971	31%
FIRE TOTAL	**$19,877,606**	**$20,021,504**	**$20,263,066**	**$241,562**	**1%**
FIRE TOTAL	**$19,877,606**	**$20,021,504**	**$20,263,066**	**$241,562**	**1%**
EXPENSES TOTAL	**$19,877,606**	**$20,021,504**	**$20,263,066**	**$241,562**	**1%**

Budget Statement: The budget for the Fire Department is increasing by **$241,562** or **1%**. Salaries are increasing by $178,160 or 1% for staff compensation increases, which includes a reduction of 1 FTE in Fire Prevention. Capital is increasing by $53,971 to cover the cost of replacing firefighter turnout gear and equipment, while utilities are increasing by $9,431 to cover higher energy prices. For explanations of reductions, refer to the Town Administrator's Budget Message in Section I.

FTE Summary: The complement of 160 FTEs represents a reduction of 1 in the category of Prevention since FY26. While none of the departments FTEs are charged to grants or capital, a total of four FTEs in the Public Safety Business Office are shared between the Fire and Police Departments.

Below are budget tables by division and individual account followed by FTE tables showing long-term and budget year figures.

Fire Administration

	ACTUAL	BUDGET	RECOMMENDED		
	FY2025	FY2026	FY2027	$ Chng	% Chng
Expenses					
FIRE					
FIRE					
SALARIES					
PERMANENT FULL TIME	$742,168	$683,820	$680,863	-$2,957	0%
OVERTIME PAY	$676	$13,388	$13,388	$0	0%
EDUCATIONAL INCENTIVE PAY	$22,500	$25,000	$25,000	$0	0%
LONGEVITY PAY	$2,000	$3,536	$2,150	-$1,386	-39%
EXTRA COMPENSATION	–	$7,500	$7,500	$0	0%
EMT PAY	$6,073	$11,679	$11,679	$0	0%
ASHER PAY-ACTIVE SHOOTER ER	$10,770	$11,006	$11,006	$0	0%
HOLIDAY PAY	–	$22,842	$22,842	$0	0%
VACATION BUYOUT	–	$9,000	$9,000	$0	0%
A DAY BUYOUT	$6,737	$9,195	$9,195	$0	0%
CLOTHING-UNIFORM ALLOWANCE	$2,180	$1,640	$1,640	$0	0%
SALARIES TOTAL	**$793,104**	**$798,606**	**$794,263**	**-$4,343**	**-1%**
SERVICES					
D P EQUIP R & M	$494	$1,000	$1,000	$0	0%
COMPUTER SOFTWARE R & M	$57,355	$60,000	$60,000	$0	0%
COMMUNICATIONS EQUIP R & M	$34,440	$32,875	$32,875	$0	0%
PUBLIC SAFETY EQUIP R & M	$13,579	$5,000	$5,000	$0	0%
MOTOR VEHICLE/EQUIP R & M	$48,683	$65,000	$65,000	$0	0%
COPY EQUIP RENTAL/LEASES	–	$1,640	$1,640	$0	0%
OTHER RENTALS/LEASES	$7,812	$7,500	$7,500	$0	0%
PROFESSIONAL/TECH SERVICE	$34,404	$30,000	$30,000	$0	0%
WIRELESS COMMUNICATIONS	$10,784	$20,081	$20,081	$0	0%
POSTAGE	$587	$1,000	$1,000	$0	0%
SERVICES TOTAL	**$208,138**	**$224,096**	**$224,096**	**$0**	**0%**
SUPPLIES					
OFFICE SUPPLIES	$7,653	$8,700	$8,700	$0	0%
GENERAL SUPPLIES	$14,408	$17,000	$17,000	$0	0%
MAINTENANCE SUPPLIES	$17,230	$10,000	$10,000	$0	0%
MEALS & RECEPTIONS	$19	–	–	$0	–
OILS & LUBRICANTS	$2,808	$2,750	$2,750	$0	0%
TIRES	$8,908	$10,500	$10,500	$0	0%
MOTOR VEHICLE SUPPLIES	$36,817	$33,000	$33,000	$0	0%
BOOKS & PERIODICALS	$1,210	$2,260	$2,260	$0	0%
PUBLIC SAFETY SUPPLIES	$14,525	$25,678	$25,678	$0	0%
UNIFORMS & PROTECTIVE CLO	$2,089	$17,064	$17,064	$0	0%
SUPPLIES TOTAL	**$105,668**	**$126,952**	**$126,952**	**$0**	**0%**
OTHER					
IN STATE TRAVEL -OTHER	$1,440	$2,000	$2,000	$0	0%
EDUCATION/TRAINING/CONFERENCES	$4,577	$6,000	$6,000	$0	0%
PROFESSIONAL DUES/MEMBERS	$8,054	$9,100	$9,100	$0	0%
REIMBURSEMENTS	$9,492	$10,000	$10,000	$0	0%
OTHER TOTAL	**$23,563**	**$27,100**	**$27,100**	**$0**	**0%**

	ACTUAL	BUDGET	RECOMMENDED		
	FY2025	FY2026	FY2027	$ Chng	% Chng
UTILITIES					
ELECTRICITY	$79,374	$83,737	$91,173	$7,436	9%
NATURAL GAS	$81,419	$83,396	$85,140	$1,744	2%
GENERATOR FUEL	–	$500	$500	$0	0%
GASOLINE	$18,349	$23,514	$23,611	$97	0%
DIESEL	$49,654	$57,950	$55,211	-$2,739	-5%
WATER	$23,832	$23,763	$26,656	$2,893	12%
UTILITIES TOTAL	**$252,629**	**$272,860**	**$282,291**	**$9,431**	**3%**
BUDGETED CAPITAL					
PUBLIC SAFETY EQUIPMENT-BUD	$93,261	$95,250	$147,000	$51,750	54%
LEASED COMPUTER EQUIPMENT	$10,758	$23,866	$26,543	$2,677	11%
BUDGETED CAPITAL TOTAL	**$104,020**	**$119,116**	**$173,543**	**$54,427**	**46%**
FIRE TOTAL	**$1,487,121**	**$1,568,730**	**$1,628,245**	**$59,515**	**4%**
FIRE TOTAL	**$1,487,121**	**$1,568,730**	**$1,628,245**	**$59,515**	**4%**
EXPENSES TOTAL	**$1,487,121**	**$1,568,730**	**$1,628,245**	**$59,515**	**4%**

Fire Firefighting

	ACTUAL	BUDGET	RECOMMENDED		
	FY2025	FY2026	FY2027	$ Chng	% Chng
Expenses					
FIRE					
FIRE					
SALARIES					
PERMANENT FULL TIME	$10,520,073	$12,045,908	$12,362,295	$316,387	3%
SHIFT DIFFERENTIAL	$904,469	$960,122	$1,050,795	$90,673	9%
WORKING OUT OF CLASS	$54,077	$137,113	$137,113	$0	0%
OVERTIME PAY	$1,902,096	$1,090,556	$1,090,556	$0	0%
OVERTIME PAY - SPECIAL PROGRAM	$205	–	–	$0	–
EDUCATIONAL INCENTIVE PAY	$496,642	$547,625	$547,625	$0	0%
LONGEVITY PAY	$63,650	$61,471	$64,200	$2,729	4%
SPECIALTY PAY	–	$15,600	$15,600	$0	0%
EMT PAY	$539,728	$554,779	$554,779	$0	0%
ASHER PAY-ACTIVE SHOOTER ER	$344,768	$361,377	$370,869	$9,492	3%
SICK PAY BUYOUT	$10,468	–	–	$0	–
HOLIDAY PAY	$705,918	$709,951	$769,683	$59,732	8%
VACATION BUYOUT	$116,648	$150,523	$150,523	$0	0%
A DAY BUYOUT	$20,792	$91,219	$91,219	$0	0%
INJURED ON THE JOB	$982,934	–	–	$0	–
CLOTHING-UNIFORM ALLOWANCE	$116,545	$122,375	$122,375	$0	0%
SALARIES TOTAL	**$16,779,012**	**$16,848,619**	**$17,327,632**	**$479,013**	**3%**
BUDGETED CAPITAL					
PUBLIC SAFETY EQUIPMENT-BUD	$21,358	$55,000	$55,000	$0	0%
BUDGETED CAPITAL TOTAL	**$21,358**	**$55,000**	**$55,000**	**$0**	**0%**
FIRE TOTAL	**$16,800,370**	**$16,903,619**	**$17,382,632**	**$479,013**	**3%**
FIRE TOTAL	**$16,800,370**	**$16,903,619**	**$17,382,632**	**$479,013**	**3%**
EXPENSES TOTAL	**$16,800,370**	**$16,903,619**	**$17,382,632**	**$479,013**	**3%**

Fire Prevention

	ACTUAL	BUDGET	RECOMMENDED		
	FY2025	FY2026	FY2027	$ Chng	% Chng
Expenses					
FIRE					
FIRE					
SALARIES					
PERMANENT FULL TIME	$472,842	$546,668	$364,145	-$182,523	-33%
SHIFT DIFFERENTIAL	$30,777	$17,733	$30,952	$13,219	75%
WORKING OUT OF CLASS	$16,973	$6,300	$6,300	$0	0%
OVERTIME PAY	$23,458	$5,173	$5,173	$0	0%
EDUCATIONAL INCENTIVE PAY	$40,000	$20,000	$20,000	$0	0%
LONGEVITY PAY	$3,100	$3,230	$4,350	$1,120	35%
EMT PAY	$29,449	$23,359	$23,359	$0	0%
ASHER PAY-ACTIVE SHOOTER ER	$15,140	$16,401	$10,924	-$5,477	-33%
HOLIDAY PAY	$30,518	$23,064	$22,672	-$392	-2%
VACATION BUYOUT	$3,754	$5,400	$5,400	$0	0%
A DAY BUYOUT	$1,126	$5,921	$5,921	$0	0%
INJURED ON THE JOB	$20,999	–	–	$0	–
CLOTHING-UNIFORM ALLOWANCE	$4,075	$3,450	$3,450	$0	0%
SALARIES TOTAL	**$692,210**	**$676,699**	**$502,646**	**-$174,053**	**-26%**
FIRE TOTAL	**$692,210**	**$676,699**	**$502,646**	**-$174,053**	**-26%**
FIRE TOTAL	**$692,210**	**$676,699**	**$502,646**	**-$174,053**	**-26%**
EXPENSES TOTAL	**$692,210**	**$676,699**	**$502,646**	**-$174,053**	**-26%**

Fire Equipment Maintenance

	ACTUAL	BUDGET	RECOMMENDED		
	FY2025	FY2026	FY2027	$ Chng	% Chng
Expenses					
FIRE					
FIRE					
SALARIES					
PERMANENT FULL TIME	$151,673	$151,410	$149,832	-$1,578	-1%
OVERTIME PAY	$14,119	$3,264	$3,264	$0	0%
A DAY BUYOUT	–	$3,439	$3,439	$0	0%
CLOTHING-UNIFORM ALLOWANCE	$600	$300	$300	$0	0%
TOOL ALLOWANCE	$250	$500	$500	$0	0%
SALARIES TOTAL	**$166,643**	**$158,913**	**$157,335**	**-$1,578**	**-1%**
FIRE TOTAL	**$166,643**	**$158,913**	**$157,335**	**-$1,578**	**-1%**
FIRE TOTAL	**$166,643**	**$158,913**	**$157,335**	**-$1,578**	**-1%**
EXPENSES TOTAL	**$166,643**	**$158,913**	**$157,335**	**-$1,578**	**-1%**

Fire Training

	ACTUAL	BUDGET	RECOMMENDED		
	FY2025	FY2026	FY2027	$ Chng	% Chng
Expenses					
FIRE					
FIRE					
SALARIES					
PERMANENT FULL TIME	$328,365	$467,122	$348,322	-$118,800	-25%
SHIFT DIFFERENTIAL	$28,249	$26,492	$29,607	$3,115	12%
WORKING OUT OF CLASS	$10,677	$6,300	$6,300	$0	0%
OVERTIME PAY	$21,826	$21,803	$21,803	$0	0%
EDUCATIONAL INCENTIVE PAY	$25,000	$20,550	$20,550	$0	0%
LONGEVITY PAY	$1,300	$2,663	$1,600	-$1,063	-40%
EMT PAY	$17,303	$23,359	$23,359	$0	0%
ASHER PAY-ACTIVE SHOOTER ER	$15,155	$14,015	$10,450	-$3,565	-25%
HOLIDAY PAY	$29,741	$23,906	$21,687	-$2,219	-9%
VACATION BUYOUT	$8,525	$4,501	$4,501	$0	0%
A DAY BUYOUT	$1,562	$5,182	$5,182	$0	0%
INJURED ON THE JOB	$151,847	–	–	$0	–
CLOTHING-UNIFORM ALLOWANCE	$2,445	$2,070	$2,070	$0	0%
SALARIES TOTAL	**$641,995**	**$617,963**	**$495,431**	**-$122,532**	**-20%**
FIRE TOTAL	**$641,995**	**$617,963**	**$495,431**	**-$122,532**	**-20%**
FIRE TOTAL	**$641,995**	**$617,963**	**$495,431**	**-$122,532**	**-20%**
EXPENSES TOTAL	**$641,995**	**$617,963**	**$495,431**	**-$122,532**	**-20%**

Fire Emergency Management

	ACTUAL	BUDGET	RECOMMENDED		
	FY2025	FY2026	FY2027	$ Chng	% Chng
Expenses					
FIRE					
FIRE					
SALARIES					
PERMANENT FULL TIME	$89,267	$92,851	$94,504	$1,653	2%
OVERTIME PAY	–	$2,273	$2,273	$0	0%
SALARIES TOTAL	**$89,267**	**$95,124**	**$96,777**	**$1,653**	**2%**
BUDGETED CAPITAL					
LEASED COMPUTER EQUIPMENT	–	$456	–	-$456	-100%
BUDGETED CAPITAL TOTAL	**–**	**$456**	**–**	**-$456**	**-100%**
FIRE TOTAL	**$89,267**	**$95,580**	**$96,777**	**$1,197**	**1%**
FIRE TOTAL	**$89,267**	**$95,580**	**$96,777**	**$1,197**	**1%**
EXPENSES TOTAL	**$89,267**	**$95,580**	**$96,777**	**$1,197**	**1%**

Five-Year FTE Summary

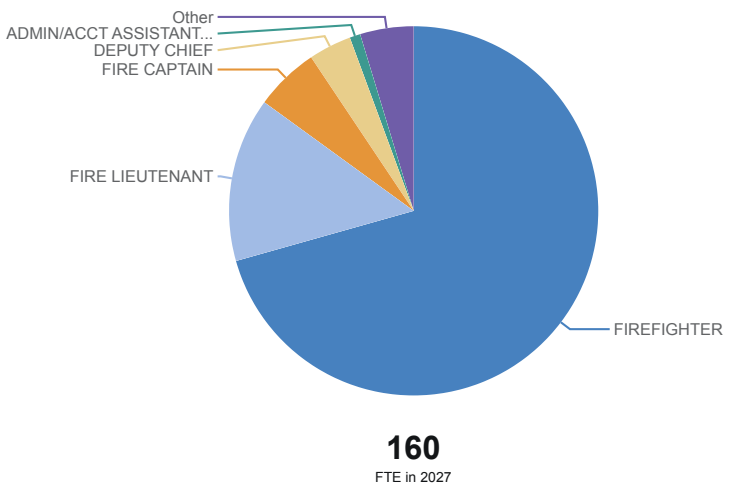
Fire

FULL-TIME EQUIVALENTS (FTES)							
	FY2023	FY2024	FY2025	FY2026	FY2027	1YR Chng	5YR Chng
All Positions							
FIRE	161.00	161.00	161.00	161.00	160.00	-1.00	-1.00
ALL POSITIONS TOTAL	**161.00**	**161.00**	**161.00**	**161.00**	**160.00**	**-1.00**	**-1.00**
Non-General Funded Positions	–	–	–	–	–	–	–
Net General Funded Positions	161.00	161.00	161.00	161.00	160.00	–	–

FY27 FTE Salary

Fire

Data Updated Feb 13, 2026, 6:19 PM



Fire

	Budget	FTEs
FIRE CHIEF	192,367	1
CHIEF OF OPS/EO	174,508	1
DEPUTY CHIEF	844,829	6
FIRE CAPTAIN	1,043,879	9
FIRE LIEUTENANT	2,258,733	23
FIREFIGHTER	8,927,321	113
INFO SYSTEMS ANALYST - FIRE	108,196	1
PUB SAF BUSINESS MGR - FIRE	46,691	0.5
MTR EQUIP REPAIRMAN	78,943	1
EXECUTIVE ASSISTANT - FIRE	69,644	1
ADMIN/ACCT ASSISTANT - FIRE	89,456	1.5
FRMN FIRE APP REPAIR	70,889	1
EM COORDINATOR	94,504	1
TOTAL	**13,999,960**	**160**

FIRE PERFORMANCE / WORKLOAD INDICATORS	ACTUAL FY2023	ACTUAL FY2024	ACTUAL FY2025	ESTIMATE FY2026	ESTIMATE FY2027
Box Alarms	234	328	382	400	425
Still Alarms	4,493	4,822	4,669	4,850	5,000
Medical Emergencies	4,579	4,739	5,060	5,200	5,500
Total Responses	9,358	9,976	10,491	10,750	11,000
Avg Response Time to Emergency Incidents (minutes) - Calendar Year * Anticipated loss due to pandemic	<4:00	<4:00	<4:00	<4.50	<4.50
Incidents of building fires	25	17	20	25	25
Large loss fire (over $100,000)	4	2	5	4	4
Medium Loss Fires (under $100,000)	21	15	15	26	20
Multiple Alarm Fires	5	1	5	5	5
Mutual Aid responses	68	114	35	50	50
% of Investigations Started Within Two Hours	100%	100%	100%	100%	100%
Apartment Buildings with 6+ Units Inspected	609	640	541	645	550
26F Smoke/CO Detector Inspections	646	612	765	625	775
Lodging House Inspections	49	46	49	49	49
Common Victualler Inspections	170	164	164	175	170

Certifcates of occupancy	150	188	215	200	220
All Other Inspections					
(Fire Alarm sprinklers,					
building plan reviews)	720	600	600	600	600
% of Apparatus Repairs					
Initiated within 24 Hrs	100%	100%	100%	100%	100%
% of Apparatus Receiving					
Preventive Maintenance					
Twice per Year	100%	100%	100%	100%	100%
% of EMTs Requesting					
Re-certification					
Re-Certified	100%	100%	100%	100%	100%
Number of Newly					
Certified EMTs	3	6	5	5	5
Number of Firefighters Completing: **					
Firefighter I/II certification	5	8	8	6	4
Instructor Certification I	0	0	0	0	0
Instructor Certification II	0	0	0	0	0
Incident Safety Officer	0	0	0	0	0
Technical Rescue	0	0	0	1	0
Hazardous Material Techs	0	1	0	0	0
Live Fire Training Techs	0	0	0	0	0
Company Officer I	0	0	0	0	0
% of Fires Contained to					
the Building of Origin	100%	100%	100%	95+%	95+%
Number of Pre-K through	96	22	0**	0**	??
Grade 2 classrooms					
receiving the S.A.F.E.					
Program					

** SAFE grant not available

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BROOKLINE
MASSACHUSETTS

BROOKLINE FIRE & EMERGENCY MANAGEMENT

FY-27 Budget

Chief John F. Sullivan

FY 26 ACCOMPLISHMENTS

1. Full renovation of Station 4 (827 Boylston St.) began in July 2025 and is scheduled to be complete in late April 2026.
2. Fulfilled the full transition from the National Fire Incident Reporting System (NFIRS) to the more comprehensive National Emergency Response Information System.
3. Completed the revision of the Town’s Comprehensive Emergency Management Plan (CEMP).

Key Goals for FY 27

1. Initiate the full renovation of Station 1 (140 Washington St./Brookline Village); expected duration 16-18 months - June 2026 through December 2027.
2. Begin negotiations with Local 950 IAFF on a successor contract; current contract expires on 6/30/27.
3. Complete the overhaul, standardization and development of the Fire Department's Standard Operating Guidelines

Bonus goal – Ensure a smooth transition of the Brookline Fire Department leadership in April 2027

BROOKLINE
MASSACHUSETTS

Long-term Goals and Objectives

1. Stabilize the Fire Department overtime spending
2. Reduce the number of long-term “injured-on-duty” claims
3. Carry on the process of renovations of all Fire department’s facilities, including the replacement of Station 5 (49 Babcock St.) and initiate a feasibility study to determine the long-term viability of Station 7 @665 Washington St.
4. Continue to develop a comprehensive fire officer training and preparation for promotional assessment centers
5. Complete the development and revision of the all Emergency Management plans



Alignment with Select Board Goals & Objectives

1. Continue to review and develop the process of streamlining of permits and licenses
2. Support the reduction of greenhouse gases in fire station renovations and staff EV
3. Continue to develop a robust Community Engagement strategy in Emergency Management
4. Develop budget stabilization strategies to reduce the operational gap and maintain bond rating.

New initiatives

- Replacement of the antiquated Computer-Aided Dispatch (CAD) system
- Replacement of Self-contained Breathing Apparatus (SCBA) FY 29
- Phased replacement of all Personal Protective Equipment (PPE) – PFAS free



FTE's

- The FY 27 includes the reduction of one Full time employee

153 Uniformed members
- (1) Fire Chief
- (1) Chief of OP's
- (6) Deputy Chiefs
- (9/8) Captains
- (23/24) Lieutenants
- (113) Firefighters

7 Civilian employees
- (1) Executive Assistant
- (1) Infor. Sys. Tech.
- (2) Mechanics
- (1) Deputy Director (EM)
  - (2) PSBO
    - (.5) PS Business Mgr
    - (1.5) PSBO staff

Revised recommendation – reducing (1) Captain – Training Division

Questions?

Working Version of the Town of Brookline Draft 2030 Roadmap

Updated March 10, 2026.

PURPOSE & PROCESS

The 2030 Roadmap captures the shared strategic priority areas and goals of Select Board members and the Select Board Office. It will guide the Select Board, Select Board Office, and Town Departments in their work, giving staff firm ground to stand on and confidence to pursue their work through changing environments and elected official turnover.

The 2030 Roadmap was iteratively developed between July 2025 and May 2026. The process began with information gathering through individual interviews with Select Board members and department heads, and discussion with the Select Board Office. A summary of interview findings was shared with all who participated. The development of the 2030 Roadmap was discussed at four Select Board workshops (July 29, 2025, October 14, 2025, December 9, 2025, and March 17, 2026), and an update was provided at the February 10, 2026, Select Board meeting. The Select Board, Select Board Office, and department heads reviewed draft versions of the 2030 Roadmap to offer feedback multiple times during its development. It was presented at the April __ Select Board meeting for final adoption.

GUIDING VALUES

The Town of Brookline Select Board identified the following guiding values that inform their priorities for the Town and should be considered when implementing the 2030 Roadmap.

Values of Brookline:

- Being a welcoming, accessible, accepting, and diverse community.
- Being a predictable and stable place for residents, visitors, and businesses.

Values of Brookline Government:

- Continuous improvement of efficiency and outcomes.
- Transparency and responsiveness.
- Decision-making that incorporates feedback from affected stakeholders and the broader community; is based on the best information available, including science, data, input from experts; and is conducted in a fiscally responsible manner.
- Good governance and collaboration across departments and Public Bodies, i.e., Boards, Commissions, and Advisory Bodies.
- Commitment to the values of diversity, equity, and inclusion for all and excellence in its service provision to all residents.
- A growing economy.

GOALS & ACTIONS

The Select Board has identified seven goals for inclusion in the 2030 Roadmap. Each goal includes framing, strategies, and key performance indicators. Each strategy includes actions to advance strategies towards the overarching goal. Actions are separated by Select Board and

Town staff. The list of actions taken to advance the strategies will likely change over the five-year timeline; new actions will be identified and existing actions will be tried and found unproductive or irrelevant.

Goal 1) Deliver core services to residents reliably and efficiently within the limits of available resources.

The Town of Brookline provides high-quality services to its residents such as public education, public safety, waste pick-up, libraries, recreation, public health and human services, permitting, and road maintenance. The Select Board wants the Town to provide these services within its organizational capacity and resources so that services are high-quality and sustainable.

Most of the Town's time and resources are spent delivering these core services, some of which are required by law and others promote our values as a town.

Strategies

A. **Document and communicate to residents the strength of Town services and improve transparency on service performance.** (See also Goal 4.)
   Select Board

   Town Staff
   - **Legal interns or SBO (Y2-3):** Document the required base services each department provides, levels of service, enforcement requirements, and the source of the requirement (e.g., federal regulation, state statute, warrant article, Public Body, public demand)
   - **SBO and Comms (Y4-5):** Develop a dashboard using already-captured data that tracks and illustrates service provision in the Town. Highlight the dashboard in regular outbound communications, including social media, press and direct communications.
   - **SBO and Comms (Y2-3):** Determine the appropriate way to assess resident satisfaction with core services. Consider combining surveying efforts when possible and using existing Town survey platforms.

B. **Promote the continuous improvement, efficiency, and cost awareness of services.**
   Select Board
   - **(Y2-3):** Review and evaluate staff recommendations through departmental organizational review. (See also Goal 3.)
   - **(Y1):** Expressly include resources needed to implement warrant articles in Select Board reports.
   - **(Annual):** Align staff resources (both additional staff and competitive compensation for certain roles) and physical buildings and space (investment in new and existing buildings or parking) in upcoming budget cycles.

   Town Staff

- **SBO (Y2-3):** Develop recommendations through departmental organizational review. (See also Goal 3.)

Key Performance Indicators for Goal 1

Key Performance Indicator	Target
Departments set service goals	All departments set goal by FY27
Dashboard developed to track service provision	Dashboard developed by FY29
Reporting dashboard published	Annually

Goal 2) Strengthen the alignment of goals and practices, improve efficiency, and strengthen governance of Town government.

Brookline's complex system of departments and Public Bodies requires clear alignment, modernized systems, and predictable processes. Improved coordination enhances accountability, reduces duplication, strengthens policy implementation, and ensures consistent experiences for both residents and staff.

Strategies

A. Modernize, coordinate, and streamline operations.

Select Board

- **(Y2-3):** Prioritize efficiencies through information technology to improve service delivery, lower costs, and realize measurable productivity gains. Potential efforts could include funding trainings and testing of new IT systems and tools; fund increased migration to the cloud; explore use of business analyst to assess departmental utilization of technology; prioritize the continued digitization of records, especially in the Town Clerk, Buildings, Human Resources, and Public Health & Human Safety departments.

Town Staff

- **SBO (Y2-3):** Evaluate and implement standard operating procedures and other job aids where appropriate to improve operational efficiency and consistency.
- **IT (Y5):** Establish an internal staff committee/user group to streamline online processes (e.g., permits, licenses, Medicaid reimbursements, human resources processes) and reduce manual workflows and track the time each process takes.
- **SBO (Y2-3):** Share resources between departments for common functions, such as writing and managing grants, and business services.
- **SBO/Comms (Ongoing):** Promote existing systems that improve response to citizen inquiries.

B. Work with the School Committee to improve the function of the Town School Partnership.

Select Board

- **(Y1):** Determine whether the Expenditures & Revenues Study Committee will continue beyond the spring and, if so, its role in relation to a new role and function of the Town School Partnership.
- **(Y1):** With the Town Administrator, develop a revised Memorandum of Agreement between the Town Administrator and Superintendent.

Town Staff

- **SBO (Y1):** With the Superintendent, develop a revised Town School Partnership Memorandum of Agreement. Base this on the Select Board's decision regarding Expenditures & Revenues Study Committee and the Town School Partnership.

C. Improve coordination on and clarity about when to advance major planning projects.

Select Board

- **(Y1):** Develop criteria to identify projects that would benefit from large planning processes and are worth the funding risk, e.g., state-level funding that requires planning processes.

Town Staff

- **SBO (Y1 and Ongoing):** Increase predictability of study and planning schedule by developing a replacement schedule for regular studies and master plans (e.g., pension review, Housing Production Plan, Parks & Open Space) to ensure their continuing relevance under changing conditions and priorities, and increase compliance.
- **SBO (Y1 and Annually):** Inventory and update large planning processes in progress in the Town including the strategic direction to undertake them.

D. Increase efficacy and efficiency of Public Bodies.

Select Board

- **(Y1):** With staff recommendation, consolidate or eliminate Public Bodies that no longer serve a core municipal purpose or are dormant.

Town Staff

- **SBO (Y1):** Develop an evaluation protocol to and routinely assess efficacy of Public Bodies and propose improvements.
- **SBO (Y1):** Define roles and expectations for Select Board liaisons, Public Body members, staff, including when staff and Select Board involvement is necessary.
- **SBO and all depts (Y1):** Reduce the administrative burden for staff while remaining in compliance with Open Meeting Law, e.g., explore technology use for transcriptions and summaries, and develop standardized templates.

E. Improve warrant article development and review, and enforcement of by-laws.

Select Board

- **(Y1 and Ongoing):** Engage with the Advisory Committee and its sub-committees before and after warrant article filing deadlines.

- **(Y1 and Ongoing):** Based on staff recommendation, recommend referral in lieu of devoting staff time on warrant articles at the expense of staff priorities.
- **(Y1):** Update the charges of Public Bodies to include rules for enforcement.
- **(Y2-3):** Develop a policy for permit fee waivers.
- **(Y2-3):** Develop a policy for indemnification for public officials.

Town Staff

- **SBO (Y2-3):** Work with Moderator & Advisory Committee to develop standards for, and processes to educate potential petitioners about, warrant articles, e.g., identifying funding sources for policies with funding implications.

F. Develop a legislative agenda for Town Meeting. Incorporate to the extent practicable existing resources, e.g., Roadmap; Fiscal Year Financial Plan; surveys of Town Meeting, Advisory Committee, and Boards and Commissions priorities; legislative actions enacted by neighboring municipalities to help identify upcoming challenges.

Select Board

- **(Y1 and Ongoing):** Discuss the Town legislative agenda at the Select Board's summer or early fall retreat.
- **(Y1 and Ongoing):** Engage with state elected and appointed officials by joining with the School Committee's annual meeting with state legislators.
- **(Y1 and Ongoing):** With assistance of the Town Administrator, reach out and become more visible to Mayors and City Council members in Boston and Newton, and be aware of common problems and concerns.
- ~~**(Y1):** Become more aware of resources available through Norfolk County, e.g., Norfolk County Agricultural School.~~

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Town staff

Key Performance Indicators for Goal 2

Key Performance Indicator	Target
Warrant Articles requiring major amendments, referrals or negotiation due to misalignment or process gaps	50% reduction by 2030
% of Select Board annual policy goals achieved	100% by 2030
Select Board legislative agenda adopted	Annually

Goal 3) Increase the Town's fiscal health and stability.

Brookline faces a structural deficit driven by rising fixed costs, limited revenue growth under Proposition 2-1/2, aging infrastructure, reduced federal and state funds, and growing service demands. A sustainable financial future requires disciplined prioritization, revenue diversification, proactive economic development, and modern financial policies and practices that protect the Town's bond rating and debt service capacity.

Strategies

A. Ensure the recommendations of the Expenditures & Revenues Study Committee are responded to and implemented as appropriate.

Select Board

- **(Y1):** Review and assess the work of the Expenditures & Revenues Study Committee to determine whether it should remain as a standing committee of the Town and its relationship to the Town School Partnership.
- **(Y1):** Determine whether the Expenditures & Revenues Study Committee should be used to ensure the continuation of efforts to address fiscal constraints and solutions to fiscal challenges in a Proposition 2-½ environment.

Town Staff

- **Planning (Y1 and Ongoing):** Establish liaisons, that report to the Select Board on a regular schedule, with economic development-related Public Bodies to ensure that the Select Board is responsive to evolving opportunities in Town.

B. Increase revenue through development.

Select Board

Town Staff

- **Planning (Y1 and Ongoing)**: Proactively seek out commercial development opportunities.
- **Planning, Building, SBO (Y2-3)**: Make development easier through streamlined permitting process and more effective use of public engagement.
- **Planning (Y4-5):** Develop an economic development and new revenue growth plan. Work with the Economic Development Advisory Board to create this and conduct a major parcel study review.

C. Increase revenue from non-development sources.

Select Board

- **(Y2-3):** Work with legislative delegation to petition the Legislature to approve additional, local option taxes.
- **(Y2-3):** Work with the Massachusetts Municipal Association on their plans to petition the Legislature to increase funding to municipalities.

Town Staff

- **SBO and Finance (Y2-3):** Identify appropriate opportunities to increase fees and fines.
- **Finance (Y2-3):** Review the Town's Payment in Lieu of Taxes use agreements with local nonprofits with a focus on facility and amenity access.
- **Legal (Y1):** Assess the benefits of participation in class action municipal lawsuits versus filing individual actions to redress an injury to the Town.
- **Assessor (Y2-3):** Identify personal property that should be but is not taxed.

D. Fund investments.

Select Board

- **(Ongoing)** Continue to fund reserves and unrestricted funds.
- **(Y2-3):** Develop a 5-year service and funding priority list.
- **(Y2-3):** Revise the Unfunded Liabilities Policy to set deadlines for achieving full funding of the other postemployment benefit (OPEB) liabilities. Specify in the Unfunded Liabilities Policy the amount over the actuarially determined contribution to the OPEB liability that the Town will pay each year and specify clear but limited circumstance for not funding such additional amount.

Town Staff

- **Finance (Y1)**: Conduct a review of rating criteria used by rating agencies to assign a triple-A rating to municipal bonds and assess the Town's financial policies and practices with respect to those criteria.

E. Reduce costs.

Select Board

- **(Y2-3):** Review and assess staff recommendations through departmental organizational review. (See also Goal 1.)
- **(Y2-3):** Focus on hiring that will reduce costs or increase revenues more than the cost of the hire, e.g., municipal hearing officer.
- **(Y1):** Identify efforts and services that should be prioritized for work and funding over the next five years.

Town Staff

- **SBO and all depts (Y2-3):** Develop recommendations to reduce costs through departmental organizational review. (See also Goal 1.)
- **SBO and all depts (Y2-3):** Identify cost savings from actions that modernize or streamline operations. (See also Goal 2.)

F. Advance fiscal accountability.

Select Board

Town Staff

- **Finance and SBO (Y5):** Develop and share guidance for fiscal accountability and identifying funding sources for policies.
- **Comms and SBO (Y1 and Ongoing):** Regularly publicize information and engage residents about the nature of the Town's financial challenges. (See also Goal 4.)

Key Performance Indicators for Goal 3

Key Performance Indicator	Target
Bond rating	AAA bond rating is maintained

New growth revenue	$15M-$20M new growth revenue is obtained between FY26 and FY30
Other new revenue growth	Public/private site control and conceptual planning completed for a combination of projects that would likely see $15 M of new growth upon construction completion
5-year service and funding plan adoption	5-year service and funding prioritization plan is adopted by FY27

Goal 4) Improve communication to and engagement with residents.

Residents expect timely responses, clear information, and meaningful opportunities to participate in decisions. Brookline's diverse population requires accessible communication channels and consistent engagement practices across departments. Strengthening communication and expanding participation builds trust and ensures that policy reflects community needs. Many Town residents are actively engaged in Town government. The Select Board wants this to continue and to increase involvement from residents not historically engaged.

Strategies

A. Build on improved communication, engagement, and navigability of Town government and services for residents.

Select Board

- **(Y4-5):** Work with staff to establish public process protocols depending on the issue, e.g., budget proposal, zoning.
- **(Ongoing):** Support work of communications officer.
- **(Y2-3):** Add communications capacity at the department level, e.g., trainings, staff time, peer-to-peer sharing of best practices.
- **(Y2-3):** Improve the Select Board's ability to respond to residents, e.g., assign Secretary role, add more detail to the Select Board Communications Protocol (draft 2/5/24) and follow it, host Select Board listening sessions or office hours "on the road" at libraries or schools.
- **(Ongoing)**: Attend Town-provided emergency training on regular basis.

Town Staff

- **SBO (Y5):** Work with Select Board to establish public process protocols depending on the issue, e.g., budget proposal, zoning.
- **ODEICR and Comms (Y2-3):** Develop standards for engagement and information dissemination across departments.
- **ODEICR and Comms (Y2-3):** Incorporate user experience best practices when providing resources and information to residents, e.g., create a "one-stop" page on the website.

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Commented [af3]: To discuss

- **DPW and Comms (Y1):** Increase consistency of public engagement on roadway and complete street projects and provide information about how roads are prioritized.
- **All depts (Y1 and Ongoing):** Support emergency management team in their work to provide a comprehensive and well managed standard approach to emergencies by regularly reviewing standard operating procedures and holding drills and after-action reviews as necessary.
- **SBO, CoA, ODEICR, Fire/EM, Police, Health (Y1):** Increase collaboration among departments providing services for vulnerable residents, e.g., mental health services and food security.
- **Comms (Y1 and Ongoing):** Document and communicate to residents the strength of Town services and improve transparency on service performance. (See also Goal 1.)
- **Comms (Y1 and Ongoing):** Regularly publicize information and engage residents about the nature of the Town's financial challenges. (See also Goal 3.)

B. Diversify residents engaged in Town processes.

Select Board

Town Staff

- **Comms (Y4-5):** Increase subscriber base for Town Administrator's newsletter and other Town communications.
- **Comms, Health, ODEICR (Y1 and Ongoing):** Strengthen partnerships with community-based organizations to share information.
- **SBO (Y1 and Ongoing):** Increase multilingual support for Town meetings and resources.
- **SBO and all depts (Ongoing):** Broaden the pool of residents engaged and reflected in decision making.

Key Performance Indicators for Goal 4

Key Performance Indicator	Target
Select Board communication protocol reviewed annually	Reviewed annually
Responsiveness of Select Board to residents	SB response expectations met 90% of the time by FY27
Engagement standards across departments	Engagement standards adopted by FY29; implemented by FY30
Participation of underrepresented groups	Participation by underrepresented groups increases annually

Goal 5) Increase the racial and economic diversity of Brookline households.

Brookline, for historical reasons, has limited Black and Hispanic racial diversity relative to the racial diversity of neighboring communities. The Select Board is committed to increasing the numbers of Black and Hispanic households in Brookline, including high income Black and Hispanic households for whom Brookline's high home values and rents would not be a barrier. At the same time, Brookline has a growing and diverse population with backgrounds from East, Southeast, and South Asia whose participation in government should be welcomed and encouraged.

In addition, the Select Board is working to protect existing middle-income housing stock and expand middle-income and low-income housing opportunities, which will enable the Town to attract and maintain racial and other diversity. Preserving existing affordability and creating opportunities for households of all income levels is essential for economic diversity, civic stability, and a sustainable local economy. Brookline should have reasonably priced housing for the breadth of residents we want to live in our Town. This will require an intentional process – rather than reliance on market forces.

Strategies

A. **Proactively market Brookline to Black and Hispanic families, especially high-income families.**

Select Board

Town Staff

- **Comms, ODEICR (Y2-3):** Develop a marketing plan targeting Black and Hispanic families, especially high-income families. Share information with institutions such as churches, universities, hospitals, and other industries who regularly recruit high income individuals to the Boston area.

B. **Build and preserve housing, with a focus on middle-income, and low-income housing stock.**

Select Board

- **(Y2-3):** Review and adopt the Housing Production Plan.
- **(Y2-3):** Working with Town staff, review and adopt the Comprehensive Plan.

Town Staff

- **Planning (Y2-3):** Develop an approach and strategy to do this, including updating inclusionary zoning to be up to 100% AMI.
- **Planning (Y4-5):** Remove unnecessary barriers to economically viable housing development.
- **Planning (Ongoing):** Regularly report on strategies and impacts.
- **Planning (Ongoing):** Implement and track the Housing Production Plan.

- **Planning (Y2-3):** With the Select Board, review, implement, and track the Comprehensive Plan.
- **Planning (Y2-3)**: Market Brookline housing available for families at 80 to 100% AMI or naturally occurring affordable housing to Town employees.

Key Performance Indicators for Goal 5

Key Performance Indicator	Target
Marketing policy development	Created by 2030
Availability of rental housing	5% vacancy rate
Availability of affordable housing units	By 2033, 9.2% of year-round housing units are affordable units for households at or below 120% Area Median Income[1]
Black and Hispanic households	Increase in Black and Hispanic households

Goal 6) Maintain and improve infrastructure quality.

Reliable infrastructure, including roads, buildings, utilities, technology, and mobility networks, is fundamental to public safety, economic activity, and community wellbeing. Aging assets and climate pressures require coordinated planning, sustainable investment, and modern standards to maintain, improve, and expand infrastructure to serve residents.

Strategies

A. Advance infrastructure work.

Select Board

- **(Y2-3):** Review infrastructure plans and inventories – e.g., roadway maintenance, building inventory – to assess progress and decide how to best advance it.
- **(Y?):** Adopt municipal solar infrastructure. (See also Goal 7.)
- **(Y1):** Establish and fund an accelerated target for roadway maintenance.

Town Staff

- **(Y1 and Ongoing): DPW, Buildings:** Provide updates to Select Board on infrastructure plans and inventories.

B. Improve roadway safety.

Select Board

- **(Y2-3):** Review roadway safety plans – e.g., Vision Zero, traffic calming, bike access – to assess progress and decide how to best advance it.

[1] Matches Housing Production Plan goal

- **(Ongoing):** Balance roadway maintenance with Complete Street guidance on a case-by-case basis.

Town Staff
- **DPW (Annually):** Provide update to Select Board on roadway safety plans.
- **DPW (Y2-3)**: Develop and set targets for reducing the maintenance backlog. Reference specific streets, budget commitment, and numbers of lane miles to be addressed.

Key Performance Indicators for Goal 6

Key Performance Indicator	Target
Achievement of Vision Zero goals	Zero serious injuries and fatalities on our streets
Road maintenance schedule created	Publish and meet annual schedule for road maintenance.
Road maintenance quality	Maintained PCI baseline from 2025

Goal 7) Improve the Town's ability to mitigate climate change and increase resilience of assets to climate change.

Climate change poses significant risks to Brookline's infrastructure, public health, and fiscal stability. The Select Board wants to focus on actions within its control, rather than those dependent on external progress, e.g., state and regional strategies and funding sources, technological advancements.

Strategies

A. Advance climate action and resilience.

Select Board
- **(Y?):** Review and adopt the Climate Action and Resilience Plan (CARP).

Town Staff
- **DPW (Sust) (Y?):** Implement and track progress on the Climate Action and Resilience Plan (CARP).

B. Advance open space and recreation.

Select Board
- **(Y?):** Review and adopt the Open Space and Recreation Plan (OSRP).
- **(Y2-3):** Fund a Land Acquisition Fund.

Town Staff
- **DPW, (Y?):** Implement and track progress on the Open Space and Recreation Plan (OSRP).
- **DPW, (Y?):** Implement a Land Acquisition Fund.

C. **Support and advance work of the Sustainability & Natural Resources Division with coordinated participation from all departments in climate change mitigation, resilience planning, and energy transition work**.

Select Board

- **(Y?)** Install solar panels on municipal property (See also Goal 6).

Town Staff

- **DPW, DPW (Sust), Building (Y?):** Implement the Fleet Management, Electrification, and Vehicle Replacement Policy
- **All depts (Annually):** Provide department data that captures progress on climate goals.

D. **Balance the cost of achieving climate policy goals, e.g., fossil fuel free, between individual residents and the Town.**

Select Board

- **(Y1 and Ongoing):** Subsidize residential or commercial actions that support climate policy goals.

Town Staff

- **Building (Y1 and Ongoing):** Develop and maintain a schedule for electrification; implement stretch energy code; review fees and fines to incentivize fossil free construction

E. **Increase the climate preparedness of Town infrastructure.**

Select Board

- **(Y1 and Ongoing):** Work with electric utility companies, state regulators, and local state representatives to advocate for policies and actions to improve the resilience of the electric grid to be able to accommodate increased load from electrification.

Town Staff

- **Planning, Emergency Mgt, DPW (Sust) (Ongoing):** Incorporate resilience in large planning projects.
- **Planning, Emergency Mgt, DPW (Annually): U**pdate Select Board on resiliency planning and projects.

Key Performance Indicators for Goal 7

Key Performance Indicator	Target
Amount of Greenhouse Gas Emissions from Brookline.	Per CARP
CARP Adoption	By FY26
Additional KPIs established from CARP	By FY26
Maintain municipally-owned open space in Town	% open Space no less than FY25 baseline

PROGRESS TRACKING & IMPLEMENTATION

To be discussed at March 17, 2026, Select Board workshop.

Goal (long)	Goal (short)
1. Deliver core services to residents reliably and efficiently within the limits of available resources	1. Core Services
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2. Strengthen the alignment of goals and practices, improve efficiency, and strengthen governance of Town government	2. Internal alignment, efficiency, governanc
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3. Increase the Town’s fiscal health and stability	3. Fiscal health and stability
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4. Improve communication to and engagement with residents	4. Communication and engagement
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5. Increase the racial and economic diversity of Brookline households	5. Racial and economic diversity
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6. Maintain and improve infrastructure quality	6. Infrastructure quality
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7. Improve the Town's ability to mitigate climate change and increase resilience of assets to climate change	7. Climate change mitigation and resilience
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Strategy

A. Document and communicate to residents the strength of Town services and improve transparency on service performance. (See also Goal 4.)

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B. Work with the School Committee to improve the function of the Town School Partnership.

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C. Improve coordination on and clarity about when to advance major planning projects .

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D. Increase efficacy and efficiency of Public Bodies.

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E. Improve warrant article development and review, and enforcement of by-laws.

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F. Develop a legislative agenda for Town Meeting. Incorporate to the extent practicable existing resources, e.g., Roadmap; Fiscal Year Financial Plan; surveys of Town Meeting, Advisory Committee, and Boards and Commissions priorities; legislative actions enacted by neighboring municipalities to help identify upcoming challenges.

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A. Ensure the recommendations of the Expenditures & Revenues Study Committee are responded to and implemented as appropriate.

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B. Increase revenue through development.

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C. Increase revenue from non-development sources.

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D. Fund investments.

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E. Reduce costs.

E. Reduce costs.

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E. Reduce costs.

F. Advance fiscal accountability.

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A. Build on improved communication, engagement, and navigability of Town government and services for residents.

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B. Diversify residents engaged in Town processes.

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A. Proactively market Brookline to Black and Hispanic families, especially high-income families.

B. Build and preserve housing, with a focus on middle-income, and low-income housing stock.

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A. Advance infrastructure work.

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B. Improve roadway safety.

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B. Improve roadway safety.

A. Advance climate action and resilience.

A. Advance climate action and resilience.

B. Advance open space and recreation.

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C. Support and advance work of the Sustainability & Natural Resources Division with coordinated participation from all departments in climate change mitigation, resilience planning, and energy transition work.

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D. Balance the cost of achieving climate policy goals, e.g., fossil fuel free, between individual residents and the Town.

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E. Increase the climate preparedness of Town infrastructure.

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Action	Depts	Timeline
Document the required base services each department provides, levels of service, enforcement requirements, and the source of the requirement (e.g., federal regulation, state statute, warrant article, Public Body, public demand)	SBO	Y2-3
Develop a dashboard using already-captured data that tracks and illustrates service provision in the Town. Highlight the dashboard in regular outbound communications, including social media, press and direct communications.	SBO and Comms	Y4-5
Determine the appropriate way to assess resident satisfaction with core services. Consider combining surveying efforts when possible and using existing Town survey platforms.	SBO and Comms	Y2-3
Review and evaluate staff recommendations through departmental organizational review. (See also Goal 3.)	Select Board	Y2-3
Expressly include resources needed to implement warrant articles in Select Board reports.	Select Board	Y1
Align staff resources (both additional staff and competitive compensation for certain roles) and physical buildings and space (investment in new and existing buildings or parking) in upcoming budget cycles.	Select Board	Annual
Develop recommendations through departmental organizational review. (See also Goal 3.)	SBO	Y2-3
Prioritize efficiencies through information technology to improve service delivery, lower costs, and realize measurable productivity gains. Potential efforts could include funding trainings and testing of new IT systems and tools; fund increased migration to the cloud; explore use of business analyst to assess departmental utilization of technology; prioritize the continued digitization of records, especially in the Town Clerk, Buildings, Human Resources, and Public Health & Human Safety departments.	Select Board	Y2-3
Evaluate and implement standard operating procedures and other job aids where appropriate to improve operational efficiency and consistency.	SBO	Y2-3
Establish an internal staff committee/user group to streamline online processes (e.g., permits, licenses, Medicaid reimbursements, human resources processes) and reduce manual workflows and track the time each process takes.	IT	Y4-5
Share resources between departments for common functions, such as writing and managing grants, and business services.	SBO	Y2-3
Promote existing systems that improve response to citizen inquiries.	SBO/Comms	Ongoing

Determine whether the Expenditures & Revenues Study Committee will continue beyond the spring and, if so, its role in relation to a new role and function of the Town School Partnership.	Select Board	Y1
With the Town Administrator, develop a revised Memorandum of Agreement between the Town Administrator and Superintendent.	Select Board	Y1
With the Superintendent, develop a revised Town School Partnership Memorandum of Agreement. Base this on the Select Board's decision regarding Expenditures & Revenues Study Committee and the Town School Partnership.	SBO	Y1
Develop criteria to identify projects that would benefit from large planning processes and are worth the funding risk, e.g., state-level funding that requires planning processes.	Select Board	Y1
Increase predictability of study and planning schedule by developing a replacement schedule for regular studies and master plans (e.g., pension review, Housing Production Plan, Parks & Open Space) to ensure their continuing relevance under changing conditions and priorities, and increase compliance.	SBO	Y1 and Ongoing
Inventory and update large planning processes in progress in the Town including the strategic direction to undertake them.	SBO	Y1 and Annual
With staff recommendation, consolidate or eliminate Public Bodies that no longer serve a core municipal purpose or are dormant.	Select Board	Y1
Develop an evaluation protocol to and routinely assess efficacy of Public Bodies and propose improvements.	SBO	Y1
Define roles and expectations for Select Board liaisons, Public Body members, staff, including when staff and Select Board involvement is necessary.	SBO	Y1
Reduce the administrative burden for staff while remaining in compliance with Open Meeting Law, e.g., explore technology use for transcriptions and summaries, and develop standardized templates.	SBO and all depts	Y1
Engage with the Advisory Committee and its sub-committees before and after warrant article filing deadlines.	Select Board	Y1 and Ongoing
Based on staff recommendation, recommend referral in lieu of devoting staff time on warrant articles at the expense of staff priorities.	Select Board	Y1 and Ongoing
Update the charges of Public Bodies to include rules for enforcement.	Select Board	Y1
Develop a policy for permit fee waivers.	Select Board	Y2-3
Develop a policy for indemnification for public officials.	Select Board	Y2-3
Work with Moderator & Advisory Committee to develop standards for, and processes to educate potential petitioners about, warrant articles, e.g., identifying funding sources for policies with funding implications.	SBO	Y2-3

Discuss the Town legislative agenda at the Select Board's summer or early fall retreat.	Select Board	Y1 and Ongoing
Engage with state elected and appointed officials by joining with the School Committee’s annual meeting with state legislators.	Select Board	Y1 and Ongoing
With assistance of the Town Administrator, reach out and become more visible to Mayors and City Council members in Boston and Newton, and be aware of common problems and concerns.	Select Board	Y1 and Ongoing
Review and assess the work of the Expenditures & Revenues Study Committee to determine whether it should remain as a standing committee of the Town and its relationship to the Town School Partnership.	Select Board	Y1
Determine whether the Expenditures & Revenues Study Committee should be used to ensure the continuation of efforts to address fiscal constraints and solutions to fiscal challenges in a Proposition 2-½ environment.	Select Board	Y1
Establish liaisons, that report to the Select Board on a regular schedule, with economic development-related Public Bodies to ensure that the Select Board is responsive to evolving opportunities in Town.	Planning	Y1 and Ongoing
Proactively seek out commercial development opportunities.	Planning	Y1 and Ongoing
Make development easier through streamlined permitting process and more effective use of public engagement.	Planning, Building	Y2-3
Develop an economic development and new revenue growth plan. Work with the Economic Development Advisory Board to create this and conduct a major parcel study review.	Planning	Y4-5
Work with legislative delegation to petition the Legislature to approve additional, local option taxes.	Select Board	Y2-3
Work with the Massachusetts Municipal Association on their plans to petition the Legislature to increase funding to municipalities.	Select Board	Y2-3
Identify appropriate opportunities to increase fees and fines.	SBO and Finance	Y2-3
Review the Town’s Payment in Lieu of Taxes use agreements with local nonprofits with a focus on facility and amenity access.	Finance	Y2-3
Assess the benefits of participation in class action municipal lawsuits versus filing individual actions to redress an injury to the Town.	Legal	Y1
Identify personal property that should be but is not taxed.	Assessor	Y2-3
Continue to fund reserves and unrestricted funds.	Select Board	Ongoing

Develop a 5-year service and funding priority list.	Select Board	Y2-3
Revise the Unfunded Liabilities Policy to set deadlines for achieving full funding of the other postemployment benefit (OPEB) liabilities. Specify in the Unfunded Liabilities Policy the amount over the actuarially determined contribution to the OPEB liability that the Town will pay each year and specify clear but limited circumstance for not funding such additional amount.	Select Board	Y2-3
Conduct a review of rating criteria used by rating agencies to assign a triple-A rating to municipal bonds and assess the Town's financial policies and practices with respect to those criteria.	Finance	Y1
Review and assess staff recommendations through departmental organizational review. (See also Goal 1.)	Select Board	Y2-3
Focus on hiring that will reduce costs or increase revenues more than the cost of the hire, e.g., municipal hearing officer.	Select Board	Y2-3
Identify efforts and services that should be prioritized for work and funding over the next five years.	Select Board	Y1
Develop recommendations to reduce costs through departmental organizational review. (See also Goal 1.)	SBO and all depts	Y2-3
Identify cost savings from actions that modernize or streamline operations. (See also Goal 2.)	SBO and all depts	Y2-3
Develop and share guidance for fiscal accountability and identifying funding sources for policies.	Finance and SBO	Y5
Regularly publicize information and engage residents about the nature of the Town's financial challenges. (See also Goal 4.)	Comms and SBO	Y1 and Ongoing
Work with staff to establish public process protocols depending on the issue, e.g., budget proposal, zoning.	Select Board	Y4-5
Support work of communications officer.	Select Board	Ongoing
Add communications capacity at the department level, e.g., trainings, staff time, peer-to-peer sharing of best practices.	Select Board	Y2-3
Improve the Select Board's ability to respond to residents, e.g., assign Secretary role, add more detail to the Select Board Communications Protocol (draft 2/5/24) and follow it, host Select Board listening sessions or office hours "on the road" at libraries or schools.	Select Board	Y2-3
Attend Town-provided emergency training on regular basis.	Select Board	Ongoing
Work with Select Board to establish public process protocols depending on the issue, e.g., budget proposal, zoning.	SBO	Y4-5
Develop standards for engagement and information dissemination across departments.	ODEICR and Com	Y2-3
Incorporate user experience best practices when providing resources and information to residents, e.g., create a "one-stop" page on the website.	ODEICR and Com	Y2-3
Increase consistency of public engagement on roadway and complete street projects and provide information about how roads are prioritized.	DPW and Comms	Y1

Support emergency management team in their work to provide a comprehensive and well managed standard approach to emergencies by regularly reviewing standard operating procedures and holding drills and after-action reviews as necessary.	All depts	Y1 and Ongoing
Increase collaboration among departments providing services for vulnerable residents, e.g., mental health services and food security.	SBO, CoA, ODEIC	Y1
Document and communicate to residents the strength of Town services and improve transparency on service performance. (See also Goal 1.)	Comms	Y1 and Ongoing
Regularly publicize information and engage residents about the nature of the Town's financial challenges. (See also Goal 3.)	Comms	Y1 and Ongoing
Increase subscriber base for Town Administrator's newsletter and other Town communications.	Comms	Y4-5
Strengthen partnerships with community-based organizations to share information.	Comms, Health, O	Y1 and Ongoing
Increase multilingual support for Town meetings and resources.	SBO	Y1 and Ongoing
Broaden the pool of residents engaged and reflected in decision making.	SBO and all depts	Ongoing
Develop a marketing plan targeting Black and Hispanic families, especially high-income families. Share information with institutions such as churches, universities, hospitals, and other industries who regularly recruit high income individuals to the Boston area.	Comms, ODEICR	Y2-3
Review and adopt the Housing Production Plan.	Select Board	Y2-3
Working with Town staff, review and adopt the Comprehensive Plan.	Select Board	Y2-3
Develop an approach and strategy to do this, including updating inclusionary zoning to be up to 100% AMI.	Planning	Y2-3
Remove unnecessary barriers to economically viable housing development.	Planning	Y4-5
Regularly report on strategies and impacts.	Planning	Ongoing
Implement and track the Housing Production Plan.	Planning	Ongoing
With the Select Board, review, implement, and track the Comprehensive Plan.	Planning	Y2-3
Market Brookline housing available for families at 80 to 100% AMI or naturally occurring affordable housing to Town employees.	Planning	Y2-3
Review infrastructure plans and inventories – e.g., roadway maintenance, building inventory – to assess progress and decide how to best advance it.	Select Board	Y2-3
Adopt municipal solar infrastructure. (See also Goal 7.)	Select Board	?
Establish and fund an accelerated target for roadway maintenance.	Select Board	Y1

Provide updates to Select Board on infrastructure plans and inventories.	DPW, Buildings	Y1 and Ongoing
Review roadway safety plans – e.g., Vision Zero, traffic calming, bike access – to assess progress and decide how to best advance it.	Select Board	Y2-3
Balance roadway maintenance with Complete Street guidance on a case-by-case basis.	Select Board	Ongoing
Provide update to Select Board on roadway safety plans.	DPW	Annual
Develop and set targets for reducing the maintenance backlog. Reference specific streets, budget commitment, and numbers of lane miles to be addressed.	DPW	Y2-3
Review and adopt the Climate Action and Resilience Plan (CARP).	Select Board	?
Implement and track progress on the Climate Action and Resilience Plan (CARP).	DPW (Sust)	?
Review and adopt the Open Space and Recreation Plan (OSRP).	Select Board	?
Fund a Land Acquisition Fund.	Select Board	Y2-3
Implement and track progress on the Open Space and Recreation Plan (OSRP).	DPW	?
Implement a Land Acquisition Fund.	DPW	?
Install solar panels on municipal property (See also Goal 6).	Select Board	?
Implement the Fleet Management, Electrification, and Vehicle Replacement Policy	DPW, DPW (Sust)	?
Provide department data that captures progress on climate goals.	All depts	Annual
Subsidize residential or commercial actions that support climate policy goals.	Select Board	Y1 and Ongoing
Develop and maintain a schedule for electrification; implement stretch energy code; review fees and fines to incentivize fossil free construction	Building	Y1 and Ongoing
Work with electric utility companies, state regulators, and local state representatives to advocate for policies and actions to improve the resilience of the electric grid to be able to accommodate increased load from electrification.	Select Board	Y1 and Ongoing
Incorporate resilience in large planning projects.	Planning, Emerge	Ongoing
Update Select Board on resiliency planning and projects.	Planning, Emerge	Annual

Start date	End date	Notes
July 1, 2028	June 30, 2030	SBO or legal interns
July 1, 2030	June 30, 2032	
July 1, 2028	June 30, 2030	
July 1, 2028	June 30, 2030	
July 1, 2027	June 30, 2028	
June 30, 2028	June 30, 2032	
July 1, 2028	June 30, 2030	
July 1, 2028	June 30, 2030	
July 1, 2028	June 30, 2030	
July 1, 2030	June 30, 2032	
July 1, 2028	June 30, 2030	
#N/A	#N/A	

July 1, 2027	June 30, 2028
July 1, 2027	June 30, 2028
July 1, 2027	June 30, 2028
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June 20, 2028	June 20, 2032
June 30, 2028	June 30, 2032
July 1, 2027	June 30, 2028
July 1, 2027	June 30, 2028
July 1, 2027	June 30, 2028
July 1, 2027	June 30, 2028
June 20, 2028	June 20, 2032
June 20, 2028	June 20, 2032
July 1, 2027	June 30, 2028
July 1, 2028	June 30, 2030
July 1, 2028	June 30, 2030
July 1, 2028	June 30, 2030

June 20, 2028	June 20, 2032
June 20, 2028	June 20, 2032
June 20, 2028	June 20, 2032
July 1, 2027	June 30, 2028
July 1, 2027	June 30, 2028
June 20, 2028	June 20, 2032
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July 1, 2028	June 30, 2030
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July 1, 2028	June 30, 2030
July 1, 2027	June 30, 2028
July 1, 2028	June 30, 2030
July 1, 2028	June 30, 2030
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June 20, 2028	June 20, 2032
July 1, 2030	June 30, 2032
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July 1, 2030	June 30, 2032
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June 20, 2028	June 20, 2032
July 1, 2027	June 30, 2028
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June 20, 2028	June 20, 2032
July 1, 2030	June 30, 2032
June 20, 2028	June 20, 2032
June 20, 2028	June 20, 2032
#N/A	#N/A
July 1, 2028	June 30, 2030
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July 1, 2028	June 30, 2030
July 1, 2030	June 30, 2032
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July 1, 2028	June 30, 2030
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July 1, 2028	June 30, 2030
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July 1, 2027	June 30, 2028

June 20, 2028	June 20, 2032
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June 30, 2028	June 30, 2032
July 1, 2028	June 30, 2030
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July 1, 2028	June 30, 2030
#N/A	#N/A
#N/A	#N/A
#N/A	#N/A
#N/A	#N/A
June 30, 2028	June 30, 2032
June 20, 2028	June 20, 2032
June 20, 2028	June 20, 2032
June 20, 2028	June 20, 2032
#N/A	#N/A
June 30, 2028	June 30, 2032

Goal (long)	Goal (short)
1. Deliver core services to residents reliably and efficiently within the limits of available resources	Core Services
1. Deliver core services to residents reliably and efficiently within the limits of available resources	Core Services
1. Deliver core services to residents reliably and efficiently within the limits of available resources	Core Services
2. Strengthen the alignment of goals and practices, improve efficiency, and strengthen governance of Town government	Internal alignment, efficiency, governance
2. Strengthen the alignment of goals and practices, improve efficiency, and strengthen governance of Town government	Internal alignment, efficiency, governance
2. Strengthen the alignment of goals and practices, improve efficiency, and strengthen governance of Town government	Internal alignment, efficiency, governance
3. Increase the Town’s fiscal health and stability	Fiscal health and stability
3. Increase the Town’s fiscal health and stability	Fiscal health and stability
3. Increase the Town’s fiscal health and stability	Fiscal health and stability
3. Increase the Town’s fiscal health and stability	Fiscal health and stability
4. Improve communication to and engagement with residents	Communication and engagement
4. Improve communication to and engagement with residents	Communication and engagement
4. Improve communication to and engagement with residents	Communication and engagement
4. Improve communication to and engagement with residents	Communication and engagement
5. Increase the racial and economic diversity of Brookline households	Racial and economic diversity
5. Increase the racial and economic diversity of Brookline households	Racial and economic diversity
5. Increase the racial and economic diversity of Brookline households	Racial and economic diversity
5. Increase the racial and economic diversity of Brookline households	Racial and economic diversity
6. Maintain and improve infrastructure quality	Infrastructure quality
6. Maintain and improve infrastructure quality	Infrastructure quality
6. Maintain and improve infrastructure quality	Infrastructure quality
7. Improve the Town’s ability to mitigate climate change and increase resilience of assets to climate change	Climate change mitigation and resilience
7. Improve the Town’s ability to mitigate climate change and increase resilience of assets to climate change	Climate change mitigation and resilience
7. Improve the Town’s ability to mitigate climate change and increase resilience of assets to climate change	Climate change mitigation and resilience

7. Improve the Town's ability to mitigate climate change and increase resilience of assets to climate change	Climate change mitigation and resilience

Key Performance Indicator	Target
Departments set service goals	All departments set goal by FY27
Dashboard developed to track service provision	Dashboard developed by FY29
Reporting dashboard published	Annually
Warrant Articles requiring major amendments, referrals or negotiation due to misalignment or process gaps	50% reduction by 2030
% of Select Board annual policy goals achieved	100% by 2030
Select Board legislative agenda adopted	Annually
Bond rating	AAA bond rating is maintained
New growth revenue	$15M-$20M new growth revenue is obtained between FY26 and FY30
Other new revenue growth	Public/private site control and conceptual planning completed for a combination of projects that would likely see $15 M of new growth upon construction completion
5-year service and funding plan adoption	5-year service and funding prioritization plan is adopted by FY27
Select Board communication protocol reviewed annually	Reviewed annually
Responsiveness of Select Board to residents	SB response expectations met 90% of the time by FY27
Engagement standards across departments	Engagement standards adopted by FY29; implemented by FY30
Participation of underrepresented groups	Participation by underrepresented groups increases annually
Marketing policy development	Created by 2030
Availability of rental housing	5% vacancy rate
Availability of affordable housing units	By 2033, 9.2% of year-round housing units are affordable units for households at or below 120% Area Median Income
Black and Hispanic households	Increase in Black and Hispanic households
Achievement of Vision Zero goals	Zero serious injuries and fatalities on our streets
Road maintenance schedule created	Publish and meet annual schedule for road maintenance.
Road maintenance quality	Maintained PCI baseline from 2025
Amount of Greenhouse Gas Emissions from Brookline.	Per CARP
CARP Adoption	By FY26
Additional KPIs established from CARP	By FY26

Maintain municipally-owned open space in Town	% open Space no less than FY25 baseline

Y1 Update **Y2 Update** **Y3 Update** **Y4 Update** **Y5 Update**

Goal	Strategy
1. Core Services	A. Document and communicate to residents the strength of Town services and improve transparency on service performance. (See also Goal 4.)
1. Core Services	A. Document and communicate to residents the strength of Town services and improve transparency on service performance. (See also Goal 4.)
1. Core Services	A. Document and communicate to residents the strength of Town services and improve transparency on service performance. (See also Goal 4.)
1. Core Services	A. Document and communicate to residents the strength of Town services and improve transparency on service performance. (See also Goal 4.)
1. Core Services	A. Document and communicate to residents the strength of Town services and improve transparency on service performance. (See also Goal 4.)
1. Core Services	A. Document and communicate to residents the strength of Town services and improve transparency on service performance. (See also Goal 4.)
1. Core Services	A. Document and communicate to residents the strength of Town services and improve transparency on service performance. (See also Goal 4.)
2. Internal alignment, efficiency, governance	A. Document and communicate to residents the strength of Town services and improve transparency on service performance. (See also Goal 4.)
2. Internal alignment, efficiency, governance	A. Document and communicate to residents the strength of Town services and improve transparency on service performance. (See also Goal 4.)
2. Internal alignment, efficiency, governance	A. Document and communicate to residents the strength of Town services and improve transparency on service performance. (See also Goal 4.)
2. Internal alignment, efficiency, governance	A. Document and communicate to residents the strength of Town services and improve transparency on service performance. (See also Goal 4.)
2. Internal alignment, efficiency, governance	A. Document and communicate to residents the strength of Town services and improve transparency on service performance. (See also Goal 4.)
2. Internal alignment, efficiency, governance	A. Document and communicate to residents the strength of Town services and improve transparency on service performance. (See also Goal 4.)
2. Internal alignment, efficiency, governance	B. Work with the School Committee to improve the function of the Town School Partnership.
2. Internal alignment, efficiency, governance	B. Work with the School Committee to improve the function of the Town School Partnership.
2. Internal alignment, efficiency, governance	C. Improve coordination on and clarity about when to advance major planning projects .

2. Internal alignment, efficiency, governance	C. Improve coordination on and clarity about when to advance major planning projects .
2. Internal alignment, efficiency, governance	C. Improve coordination on and clarity about when to advance major planning projects .
2. Internal alignment, efficiency, governance	D. Increase efficacy and efficiency of Public Bodies.
2. Internal alignment, efficiency, governance	D. Increase efficacy and efficiency of Public Bodies.
2. Internal alignment, efficiency, governance	D. Increase efficacy and efficiency of Public Bodies.
2. Internal alignment, efficiency, governance	D. Increase efficacy and efficiency of Public Bodies.
2. Internal alignment, efficiency, governance	E. Improve warrant article development and review, and enforcement of by-laws.
2. Internal alignment, efficiency, governance	E. Improve warrant article development and review, and enforcement of by-laws.
2. Internal alignment, efficiency, governance	E. Improve warrant article development and review, and enforcement of by-laws.
2. Internal alignment, efficiency, governance	E. Improve warrant article development and review, and enforcement of by-laws.
2. Internal alignment, efficiency, governance	E. Improve warrant article development and review, and enforcement of by-laws.
2. Internal alignment, efficiency, governance	E. Improve warrant article development and review, and enforcement of by-laws.
2. Internal alignment, efficiency, governance	F. Develop a legislative agenda for Town Meeting. Incorporate to the extent practicable existing resources, e.g., Roadmap; Fiscal Year Financial Plan; surveys of Town Meeting, Advisory Committee, and Boards and Commissions priorities; legislative
2. Internal alignment, efficiency, governance	F. Develop a legislative agenda for Town Meeting. Incorporate to the extent practicable existing resources, e.g., Roadmap; Fiscal Year Financial Plan; surveys of Town Meeting, Advisory Committee, and Boards and Commissions priorities; legislative
2. Internal alignment, efficiency, governance	F. Develop a legislative agenda for Town Meeting. Incorporate to the extent practicable existing resources, e.g., Roadmap; Fiscal Year Financial Plan; surveys of Town Meeting, Advisory Committee, and Boards and Commissions priorities; legislative
3. Fiscal health and stability	A. Ensure the recommendations of the Expenditures & Revenues Study Committee are responded to and implemented as appropriate.
3. Fiscal health and stability	A. Ensure the recommendations of the Expenditures & Revenues Study Committee are responded to and implemented as appropriate.

3. Fiscal health and stability	A. Ensure the recommendations of the Expenditures & Revenues Study Committee are responded to and implemented as appropriate.
3. Fiscal health and stability	B. Increase revenue through development.
3. Fiscal health and stability	B. Increase revenue through development.
3. Fiscal health and stability	B. Increase revenue through development.
3. Fiscal health and stability	C. Increase revenue from non-development sources.
3. Fiscal health and stability	C. Increase revenue from non-development sources.
3. Fiscal health and stability	C. Increase revenue from non-development sources.
3. Fiscal health and stability	C. Increase revenue from non-development sources.
3. Fiscal health and stability	C. Increase revenue from non-development sources.
3. Fiscal health and stability	C. Increase revenue from non-development sources.
3. Fiscal health and stability	D. Fund investments.
3. Fiscal health and stability	D. Fund investments.
3. Fiscal health and stability	D. Fund investments.
3. Fiscal health and stability	D. Fund investments.
3. Fiscal health and stability	E. Reduce costs.
3. Fiscal health and stability	E. Reduce costs.
3. Fiscal health and stability	E. Reduce costs.

3. Fiscal health and stability	E. Reduce costs.
3. Fiscal health and stability	E. Reduce costs.
3. Fiscal health and stability	F. Advance fiscal accountability.
3. Fiscal health and stability	F. Advance fiscal accountability.
4. Communication and engagement	A. Build on improved communication, engagement, and navigability of Town government and services for residents.
4. Communication and engagement	A. Build on improved communication, engagement, and navigability of Town government and services for residents.
4. Communication and engagement	A. Build on improved communication, engagement, and navigability of Town government and services for residents.
4. Communication and engagement	A. Build on improved communication, engagement, and navigability of Town government and services for residents.
4. Communication and engagement	A. Build on improved communication, engagement, and navigability of Town government and services for residents.
4. Communication and engagement	A. Build on improved communication, engagement, and navigability of Town government and services for residents.
4. Communication and engagement	A. Build on improved communication, engagement, and navigability of Town government and services for residents.
4. Communication and engagement	A. Build on improved communication, engagement, and navigability of Town government and services for residents.
4. Communication and engagement	A. Build on improved communication, engagement, and navigability of Town government and services for residents.
4. Communication and engagement	A. Build on improved communication, engagement, and navigability of Town government and services for residents.
4. Communication and engagement	A. Build on improved communication, engagement, and navigability of Town government and services for residents.
4. Communication and engagement	A. Build on improved communication, engagement, and navigability of Town government and services for residents.
4. Communication and engagement	A. Build on improved communication, engagement, and navigability of Town government and services for residents.

4. Communication and engagement	B. Diversify residents engaged in Town processes.
4. Communication and engagement	B. Diversify residents engaged in Town processes.
4. Communication and engagement	B. Diversify residents engaged in Town processes.
4. Communication and engagement	B. Diversify residents engaged in Town processes.
5. Racial and economic diversity	A. Proactively market Brookline to Black and Hispanic families, especially high-income families.
5. Racial and economic diversity	B. Build and preserve housing, with a focus on middle-income, and low-income housing stock.
5. Racial and economic diversity	B. Build and preserve housing, with a focus on middle-income, and low-income housing stock.
5. Racial and economic diversity	B. Build and preserve housing, with a focus on middle-income, and low-income housing stock.
5. Racial and economic diversity	B. Build and preserve housing, with a focus on middle-income, and low-income housing stock.
5. Racial and economic diversity	B. Build and preserve housing, with a focus on middle-income, and low-income housing stock.
5. Racial and economic diversity	B. Build and preserve housing, with a focus on middle-income, and low-income housing stock.
5. Racial and economic diversity	B. Build and preserve housing, with a focus on middle-income, and low-income housing stock.
5. Racial and economic diversity	B. Build and preserve housing, with a focus on middle-income, and low-income housing stock.
6. Infrastructure quality	A. Advance infrastructure work.
6. Infrastructure quality	A. Advance infrastructure work.
6. Infrastructure quality	A. Advance infrastructure work.
6. Infrastructure quality	A. Advance infrastructure work.

6. Infrastructure quality	B. Improve roadway safety.
6. Infrastructure quality	B. Improve roadway safety.
6. Infrastructure quality	B. Improve roadway safety.
6. Infrastructure quality	B. Improve roadway safety.
7. Climate change mitigation and resilience	A. Advance climate action and resilience.
7. Climate change mitigation and resilience	A. Advance climate action and resilience.
7. Climate change mitigation and resilience	B. Advance open space and recreation.
7. Climate change mitigation and resilience	B. Advance open space and recreation.
7. Climate change mitigation and resilience	B. Advance open space and recreation.
7. Climate change mitigation and resilience	B. Advance open space and recreation.
7. Climate change mitigation and resilience	C. Support and advance work of the Sustainability & Natural Resources Division with coordinated participation from all departments in climate change mitigation, resilience planning, and energy transition work.
7. Climate change mitigation and resilience	C. Support and advance work of the Sustainability & Natural Resources Division with coordinated participation from all departments in climate change mitigation, resilience planning, and energy transition work.
7. Climate change mitigation and resilience	C. Support and advance work of the Sustainability & Natural Resources Division with coordinated participation from all departments in climate change mitigation, resilience planning, and energy transition work.
7. Climate change mitigation and resilience	D. Balance the cost of achieving climate policy goals, e.g., fossil fuel free, between individual residents and the Town.
7. Climate change mitigation and resilience	D. Balance the cost of achieving climate policy goals, e.g., fossil fuel free, between individual residents and the Town.
7. Climate change mitigation and resilience	E. Increase the climate preparedness of Town infrastructure.
7. Climate change mitigation and resilience	E. Increase the climate preparedness of Town infrastructure.

7. Climate change mitigation and resilience	E. Increase the climate preparedness of Town infrastructure.

1. Core Services
2. Internal alignment, efficiency, governance
3. Fiscal health and stability
4. Communication and engagement
5. Racial and economic diversity
6. Infrastructure quality
7. Climate change mitigation and resilience

Ongoing (lighter shades)

1. Core Services (Ongoing)
2. Internal alignment, efficiency, governance (Ongoing)
3. Fiscal health and stability (Ongoing)
4. Communication and engagement (Ongoing)
5. Racial and economic diversity (Ongoing)
6. Infrastructure quality (Ongoing)
7. Climate change mitigation and resilience (Ongoing)

Action	Department
Document the required base services each department provides, levels of service, enforcement requirements, and the source of the requirement (e.g., federal regulation, state statute, warrant article, Public Body, public demand)	SBO
Develop a dashboard using already-captured data that tracks and illustrates service provision in the Town. Highlight the dashboard in regular outbound communications, including social media, press and direct communications.	SBO and Comms
Determine the appropriate way to assess resident satisfaction with core services. Consider combining surveying efforts when possible and using existing Town survey platforms.	SBO and Comms
Review and evaluate staff recommendations through departmental organizational review. (See also Goal 3.)	Select Board
Expressly include resources needed to implement warrant articles in Select Board reports.	Select Board
Align staff resources (both additional staff and competitive compensation for certain roles) and physical buildings and space (investment in new and existing buildings or parking) in upcoming budget cycles.	Select Board
Develop recommendations through departmental organizational review. (See also Goal 3.)	SBO
Prioritize efficiencies through information technology to improve service delivery, lower costs, and realize measurable productivity gains. Potential efforts could include funding trainings and testing of new IT systems and tools; fund increased migration to the cloud; explore use of business analyst to	Select Board
Evaluate and implement standard operating procedures and other job aids where appropriate to improve operational efficiency and consistency.	SBO
Establish an internal staff committee/user group to streamline online processes (e.g., permits, licenses, Medicaid reimbursements, human resources processes) and reduce manual workflows and track the time each process takes.	IT
Share resources between departments for common functions, such as writing and managing grants, and business services.	SBO
Promote existing systems that improve response to citizen inquiries.	SBO/Comms
Determine whether the Expenditures & Revenues Study Committee will continue beyond the spring and, if so, its role in relation to a new role and function of the Town School Partnership.	Select Board
With the Town Administrator, develop a revised Memorandum of Agreement between the Town Administrator and Superintendent.	Select Board
With the Superintendent, develop a revised Town School Partnership Memorandum of Agreement. Base this on the Select Board's decision regarding Expenditures & Revenues Study Committee and the Town School Partnership.	SBO
Develop criteria to identify projects that would benefit from large planning processes and are worth the funding risk, e.g., state-level funding that requires planning processes.	Select Board

Increase predictability of study and planning schedule by developing a replacement schedule for regular studies and master plans (e.g., pension review, Housing Production Plan, Parks & Open Space) to ensure their continuing relevance under changing conditions and priorities, and increase	SBO
Inventory and update large planning processes in progress in the Town including the strategic direction to undertake them.	SBO
With staff recommendation, consolidate or eliminate Public Bodies that no longer serve a core municipal purpose or are dormant.	Select Board
Develop an evaluation protocol to and routinely assess efficacy of Public Bodies and propose improvements.	SBO
Define roles and expectations for Select Board liaisons, Public Body members, staff, including when staff and Select Board involvement is necessary.	SBO
Reduce the administrative burden for staff while remaining in compliance with Open Meeting Law, e.g., explore technology use for transcriptions and summaries, and develop standardized templates.	SBO and all depts
Engage with the Advisory Committee and its sub-committees before and after warrant article filing deadlines.	Select Board
Based on staff recommendation, recommend referral in lieu of devoting staff time on warrant articles at the expense of staff priorities.	Select Board
Update the charges of Public Bodies to include rules for enforcement.	Select Board
Develop a policy for permit fee waivers.	Select Board
Develop a policy for indemnification for public officials.	Select Board
Work with Moderator & Advisory Committee to develop standards for, and processes to educate potential petitioners about, warrant articles, e.g., identifying funding sources for policies with funding implications.	SBO
Discuss the Town legislative agenda at the Select Board's summer or early fall retreat.	Select Board
Engage with state elected and appointed officials by joining with the School Committee’s annual meeting with state legislators.	Select Board
With assistance of the Town Administrator, reach out and become more visible to Mayors and City Council members in Boston and Newton, and be aware of common problems and concerns.	Select Board
Review and assess the work of the Expenditures & Revenues Study Committee to determine whether it should remain as a standing committee of the Town and its relationship to the Town School Partnership.	Select Board
Determine whether the Expenditures & Revenues Study Committee should be used to ensure the continuation of efforts to address fiscal constraints and solutions to fiscal challenges in a Proposition 2-½ environment.	Select Board

Establish liaisons, that report to the Select Board on a regular schedule, with economic development-related Public Bodies to ensure that the Select Board is responsive to evolving opportunities in Town.	Planning
Proactively seek out commercial development opportunities.	Planning
Make development easier through streamlined permitting process and more effective use of public engagement.	Planning, Building, SBO
Develop an economic development and new revenue growth plan. Work with the Economic Development Advisory Board to create this and conduct a major parcel study review.	Planning
Work with legislative delegation to petition the Legislature to approve additional, local option taxes.	Select Board
Work with the Massachusetts Municipal Association on their plans to petition the Legislature to increase funding to municipalities.	Select Board
Identify appropriate opportunities to increase fees and fines.	SBO and Finance
Review the Town's Payment in Lieu of Taxes use agreements with local nonprofits with a focus on facility and amenity access.	Finance
Assess the benefits of participation in class action municipal lawsuits versus filing individual actions to redress an injury to the Town.	Legal
Identify personal property that should be but is not taxed.	Assessor
Continue to fund reserves and unrestricted funds.	Select Board
Develop a 5-year service and funding priority list.	Select Board
Revise the Unfunded Liabilities Policy to set deadlines for achieving full funding of the other postemployment benefit (OPEB) liabilities. Specify in the Unfunded Liabilities Policy the amount over the actuarially determined contribution to the OPEB liability that the Town will pay each year and specify clear but limited	Select Board
Conduct a review of rating criteria used by rating agencies to assign a triple-A rating to municipal bonds and assess the Town's financial policies and practices with respect to those criteria.	Finance
Review and assess staff recommendations through departmental organizational review. (See also Goal 1.)	Select Board
Focus on hiring that will reduce costs or increase revenues more than the cost of the hire, e.g., municipal hearing officer.	Select Board
Identify efforts and services that should be prioritized for work and funding over the next five years.	Select Board

Develop recommendations to reduce costs through departmental organizational review. (See also Goal 1.)	SBO and all depts
Identify cost savings from actions that modernize or streamline operations. (See also Goal 2.)	SBO and all depts
Develop and share guidance for fiscal accountability and identifying funding sources for policies.	Finance and SBO
Regularly publicize information and engage residents about the nature of the Town's financial challenges. (See also Goal 4.)	Comms and SBO
Work with staff to establish public process protocols depending on the issue, e.g., budget proposal, zoning.	Select Board
Support work of communications officer.	Select Board
Add communications capacity at the department level, e.g., trainings, staff time, peer-to-peer sharing of best practices.	Select Board
Improve the Select Board's ability to respond to residents, e.g., assign Secretary role, add more detail to the Select Board Communications Protocol (draft 2/5/24) and follow it, host Select Board listening sessions or office hours "on the road" at libraries or schools	Select Board
Attend Town-provided emergency training on regular basis.	Select Board
Work with Select Board to establish public process protocols depending on the issue, e.g., budget proposal, zoning.	SBO
Develop standards for engagement and information dissemination across departments.	ODEICR and Comms
Incorporate user experience best practices when providing resources and information to residents, e.g., create a "one-stop" page on the website.	ODEICR and Comms
Increase consistency of public engagement on roadway and complete street projects and provide information about how roads are prioritized.	DPW and Comms
Support emergency management team in their work to provide a comprehensive and well managed standard approach to emergencies by regularly reviewing standard operating procedures and holding drills and after-action reviews as necessary	All depts
Increase collaboration among departments providing services for vulnerable residents, e.g., mental health services and food security.	SBO, CoA, ODEICR, Fire/EM, Police, Health
Document and communicate to residents the strength of Town services and improve transparency on service performance. (See also Goal 1.)	Comms
Regularly publicize information and engage residents about the nature of the Town's financial challenges. (See also Goal 3.)	Comms

Increase subscriber base for Town Administrator's newsletter and other Town communications.	Comms
Strengthen partnerships with community-based organizations to share information.	Comms, Health, ODEICR
Increase multilingual support for Town meetings and resources.	SBO
Broaden the pool of residents engaged and reflected in decision making.	SBO and all depts
Develop a marketing plan targeting Black and Hispanic families, especially high-income families. Share information with institutions such as churches, universities, hospitals, and other industries who regularly recruit high income individuals to the Boston area.	Comms, ODEICR
Review and adopt the Housing Production Plan.	Select Board
Working with Town staff, review and adopt the Comprehensive Plan.	Select Board
Develop an approach and strategy to do this, including updating inclusionary zoning to be up to 100% AMI.	Planning
Remove unnecessary barriers to economically viable housing development.	Planning
Regularly report on strategies and impacts.	Planning
Implement and track the Housing Production Plan.	Planning
With the Select Board, review, implement, and track the Comprehensive Plan.	Planning
Market Brookline housing available for families at 80 to 100% AMI or naturally occurring affordable housing to Town employees.	Planning
Review infrastructure plans and inventories – e.g., roadway maintenance, building inventory – to assess progress and decide how to best advance it.	Select Board
Adopt municipal solar infrastructure. (See also Goal 7.)	Select Board
Establish and fund an accelerated target for roadway maintenance.	Select Board
Provide updates to Select Board on infrastructure plans and inventories.	DPW, Buildings

Review roadway safety plans – e.g., Vision Zero, traffic calming, bike access – to assess progress and decide how to best advance it.	Select Board
Balance roadway maintenance with Complete Street guidance on a case-by-case basis.	Select Board
Provide update to Select Board on roadway safety plans.	DPW
Develop and set targets for reducing the maintenance backlog. Reference specific streets, budget commitment, and numbers of lane miles to be addressed.	DPW
Review and adopt the Climate Action and Resilience Plan (CARP).	Select Board
Implement and track progress on the Climate Action and Resilience Plan (CARP).	DPW (Sust)
Review and adopt the Open Space and Recreation Plan (OSRP).	Select Board
Fund a Land Acquisition Fund.	Select Board
Implement and track progress on the Open Space and Recreation Plan (OSRP).	DPW
Implement a Land Acquisition Fund.	DPW
Install solar panels on municipal property (See also Goal 6).	Select Board
Implement the Fleet Management, Electrification, and Vehicle Replacement Policy	DPW, DPW (Sust), Building
Provide department data that captures progress on climate goals.	All depts
Subsidize residential or commercial actions that support climate policy goals.	Select Board
Develop and maintain a schedule for electrification; implement stretch energy code; review fees and fines to incentivize fossil free construction	Building
Work with electric utility companies, state regulators, and local state representatives to advocate for policies and actions to improve the resilience of the electric grid to be able to accommodate increased load from electrification.	Select Board
Incorporate resilience in large planning projects.	Planning, Emergency Mgt, DPW (Sust)

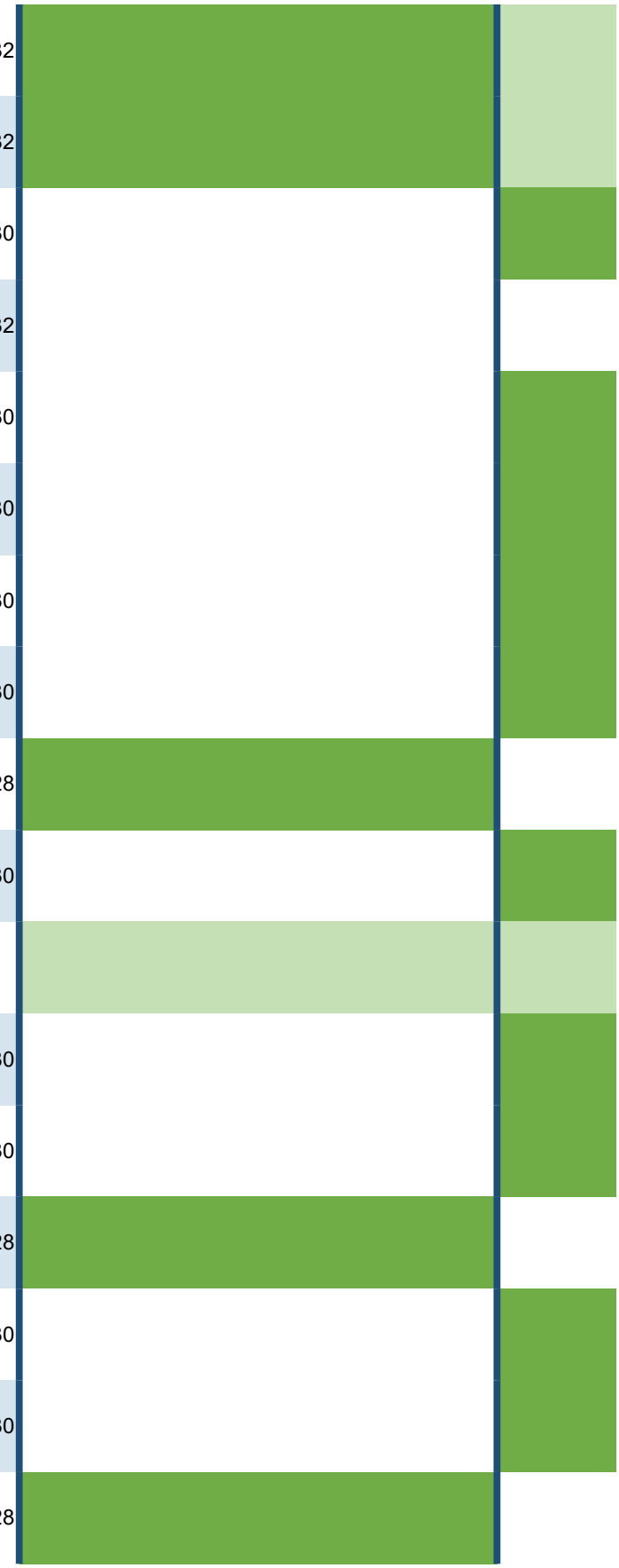
Update Select Board on resiliency planning and projects.	Planning, Emergency Mgt, DPW

2030 Roadmap Gantt Chart

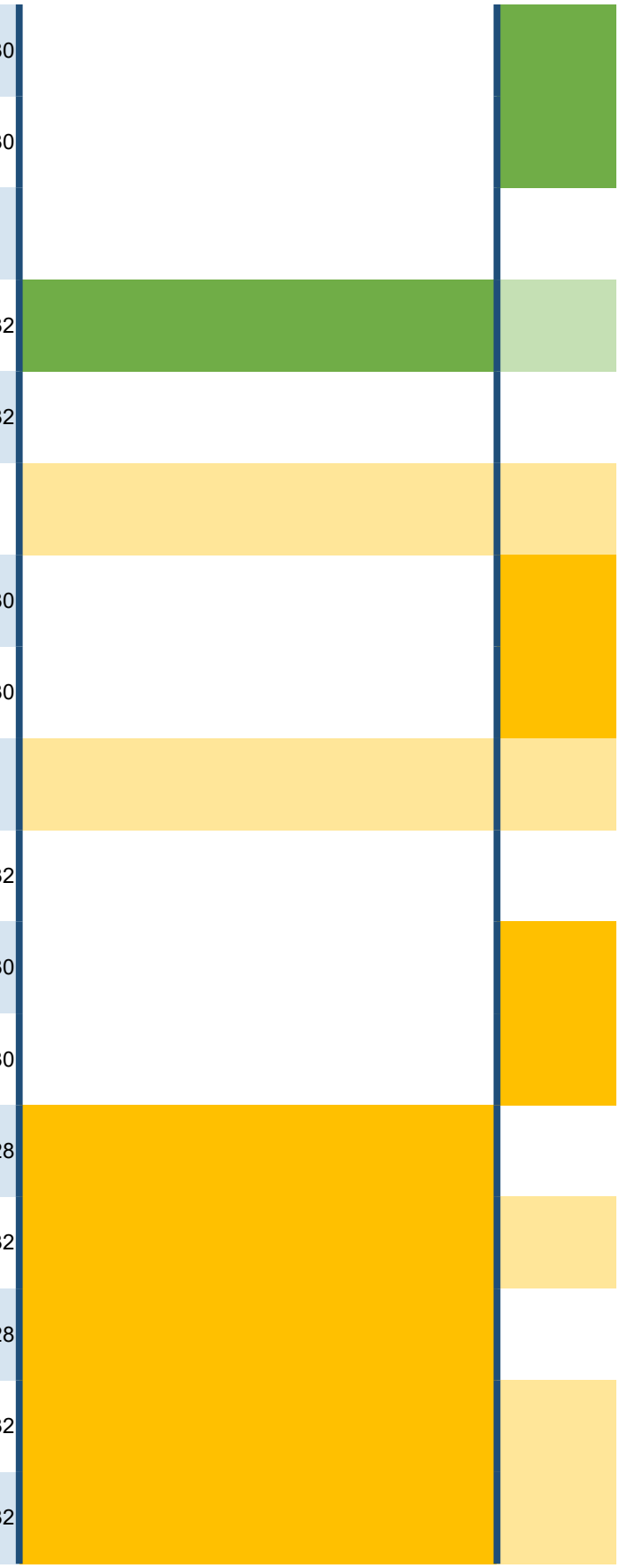
Timeline	Start Date	End Date	FY28 Q1	FY28 Q2	FY28 Q3	FY28 Q4	FY29 Q1
Y2-3	07/01/2028	06/30/2030					
Y4-5	07/01/2030	06/30/2032					
Y2-3	07/01/2028	06/30/2030					
Y2-3	07/01/2028	06/30/2030					
Y1	07/01/2027	06/30/2028					
Annual	06/30/2028	06/30/2032					
Y2-3	07/01/2028	06/30/2030					
Y2-3	07/01/2028	06/30/2030					
Y2-3	07/01/2028	06/30/2030					
Y4-5	07/01/2030	06/30/2032					
Y2-3	07/01/2028	06/30/2030					
Ongoing							
Y1	07/01/2027	06/30/2028					
Y1	07/01/2027	06/30/2028					
Y1	07/01/2027	06/30/2028					
Y1	07/01/2027	06/30/2028					

Y1 and Ongoing	06/20/2028	06/20/2032	
Y1 and Annual	06/30/2028	06/30/2032	
Y1	07/01/2027	06/30/2028	
Y1	07/01/2027	06/30/2028	
Y1	07/01/2027	06/30/2028	
Y1	07/01/2027	06/30/2028	
Y1 and Ongoing	06/20/2028	06/20/2032	
Y1 and Ongoing	06/20/2028	06/20/2032	
Y1	07/01/2027	06/30/2028	
Y2-3	07/01/2028	06/30/2030	
Y2-3	07/01/2028	06/30/2030	
Y2-3	07/01/2028	06/30/2030	
Y1 and Ongoing	06/20/2028	06/20/2032	
Y1 and Ongoing	06/20/2028	06/20/2032	
Y1 and Ongoing	06/20/2028	06/20/2032	
Y1	07/01/2027	06/30/2028	
Y1	07/01/2027	06/30/2028	

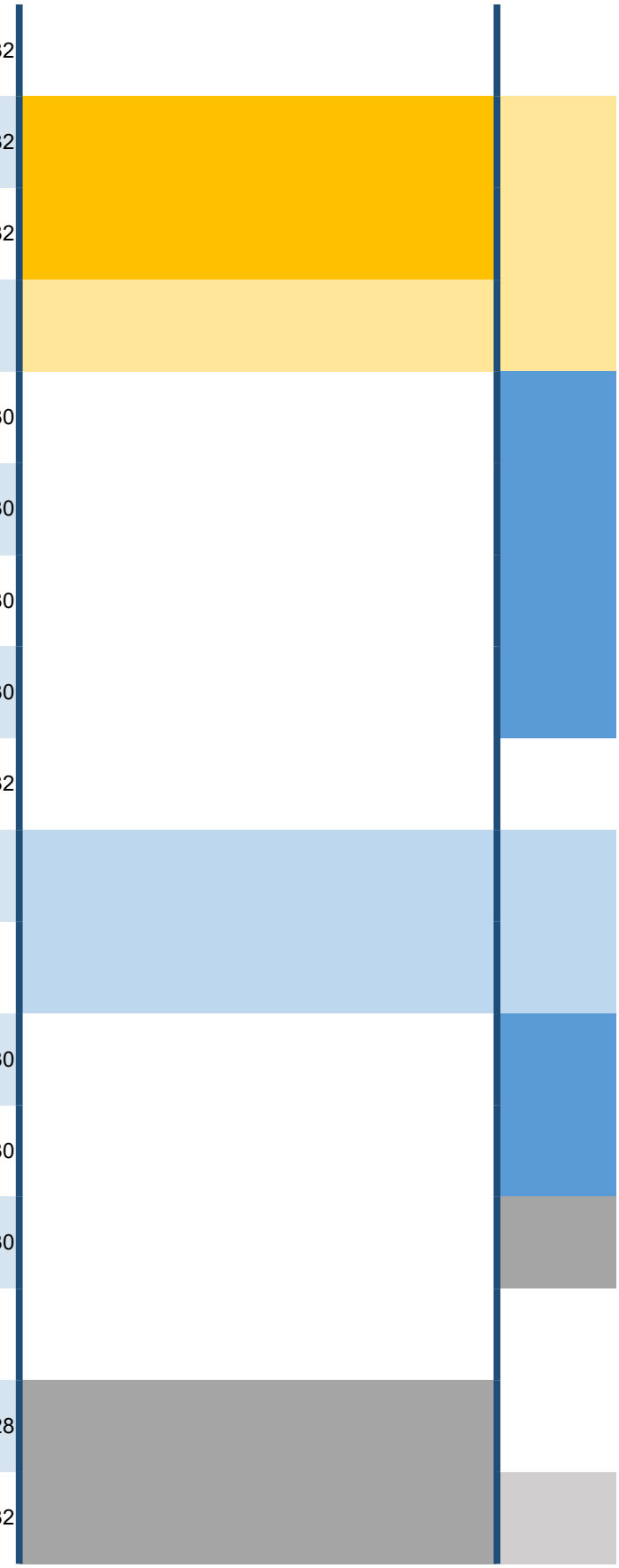
Y1 and Ongoing	06/20/2028	06/20/2032	
Y1 and Ongoing	06/20/2028	06/20/2032	
Y2-3	07/01/2028	06/30/2030	
Y4-5	07/01/2030	06/30/2032	
Y2-3	07/01/2028	06/30/2030	
Y2-3	07/01/2028	06/30/2030	
Y2-3	07/01/2028	06/30/2030	
Y2-3	07/01/2028	06/30/2030	
Y1	07/01/2027	06/30/2028	
Y2-3	07/01/2028	06/30/2030	
Ongoing			
Y2-3	07/01/2028	06/30/2030	
Y2-3	07/01/2028	06/30/2030	
Y1	07/01/2027	06/30/2028	
Y2-3	07/01/2028	06/30/2030	
Y2-3	07/01/2028	06/30/2030	
Y1	07/01/2027	06/30/2028	



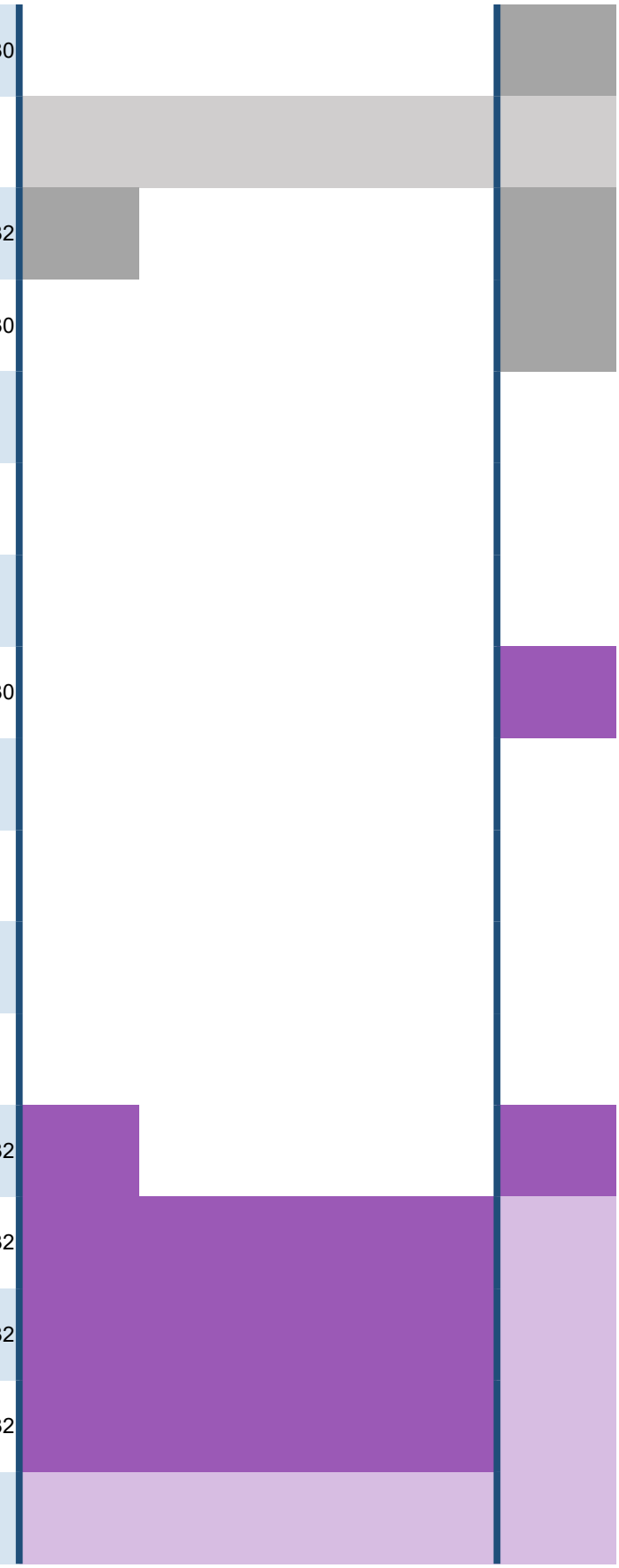
Y2-3	07/01/2028	06/30/2030
Y2-3	07/01/2028	06/30/2030
Y5		
Y1 and Ongoing	06/20/2028	06/20/2032
Y4-5	07/01/2030	06/30/2032
Ongoing		
Y2-3	07/01/2028	06/30/2030
Y2-3	07/01/2028	06/30/2030
Ongoing		
Y4-5	07/01/2030	06/30/2032
Y2-3	07/01/2028	06/30/2030
Y2-3	07/01/2028	06/30/2030
Y1	07/01/2027	06/30/2028
Y1 and Ongoing	06/20/2028	06/20/2032
Y1	07/01/2027	06/30/2028
Y1 and Ongoing	06/20/2028	06/20/2032
Y1 and Ongoing	06/20/2028	06/20/2032



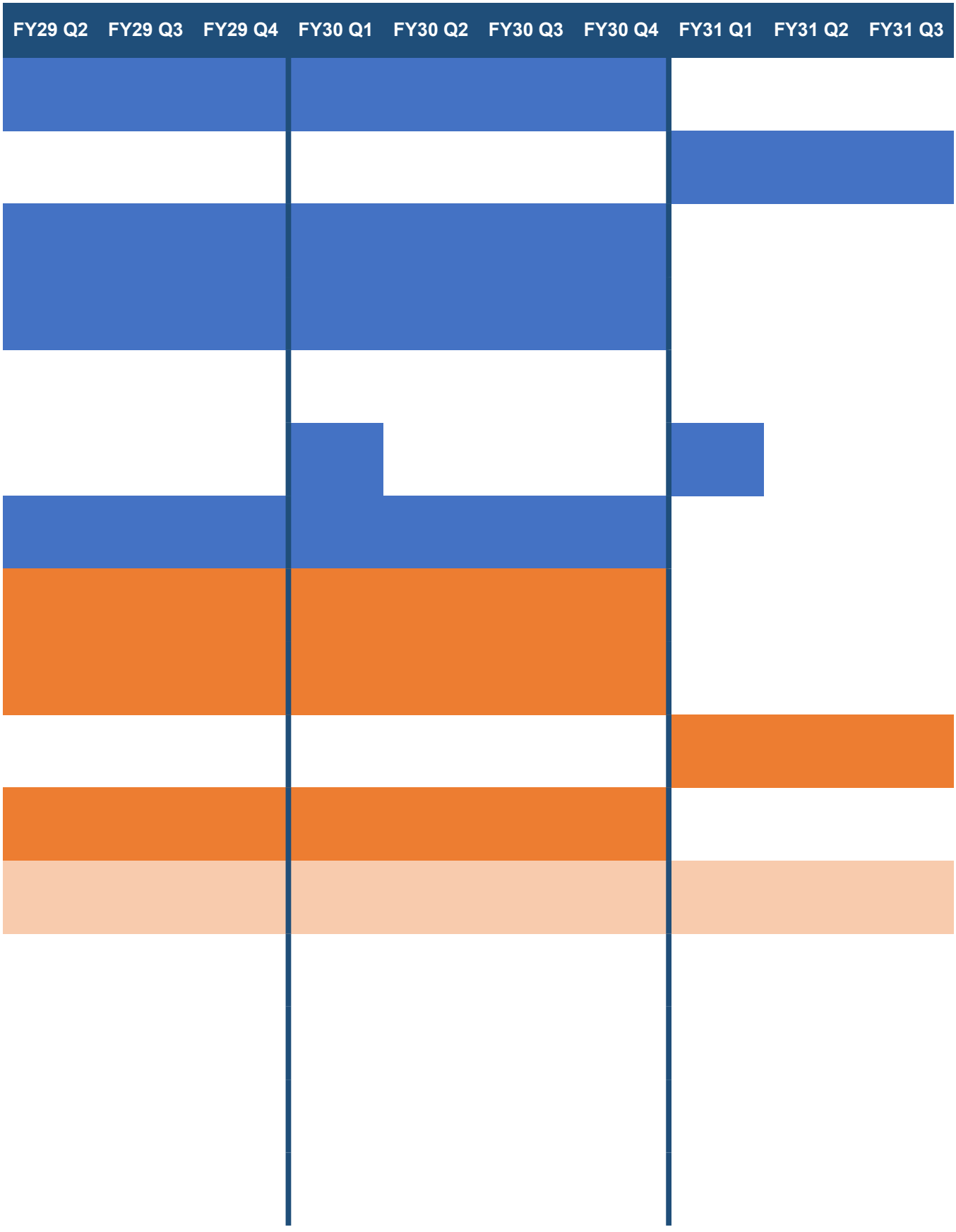
Y4-5	07/01/2030	06/30/2032
Y1 and Ongoing	06/20/2028	06/20/2032
Y1 and Ongoing	06/20/2028	06/20/2032
Ongoing		
Y2-3	07/01/2028	06/30/2030
Y2-3	07/01/2028	06/30/2030
Y2-3	07/01/2028	06/30/2030
Y2-3	07/01/2028	06/30/2030
Y4-5	07/01/2030	06/30/2032
Ongoing		
Ongoing		
Y2-3	07/01/2028	06/30/2030
Y2-3	07/01/2028	06/30/2030
Y2-3	07/01/2028	06/30/2030
?		
Y1	07/01/2027	06/30/2028
Y1 and Ongoing	06/20/2028	06/20/2032

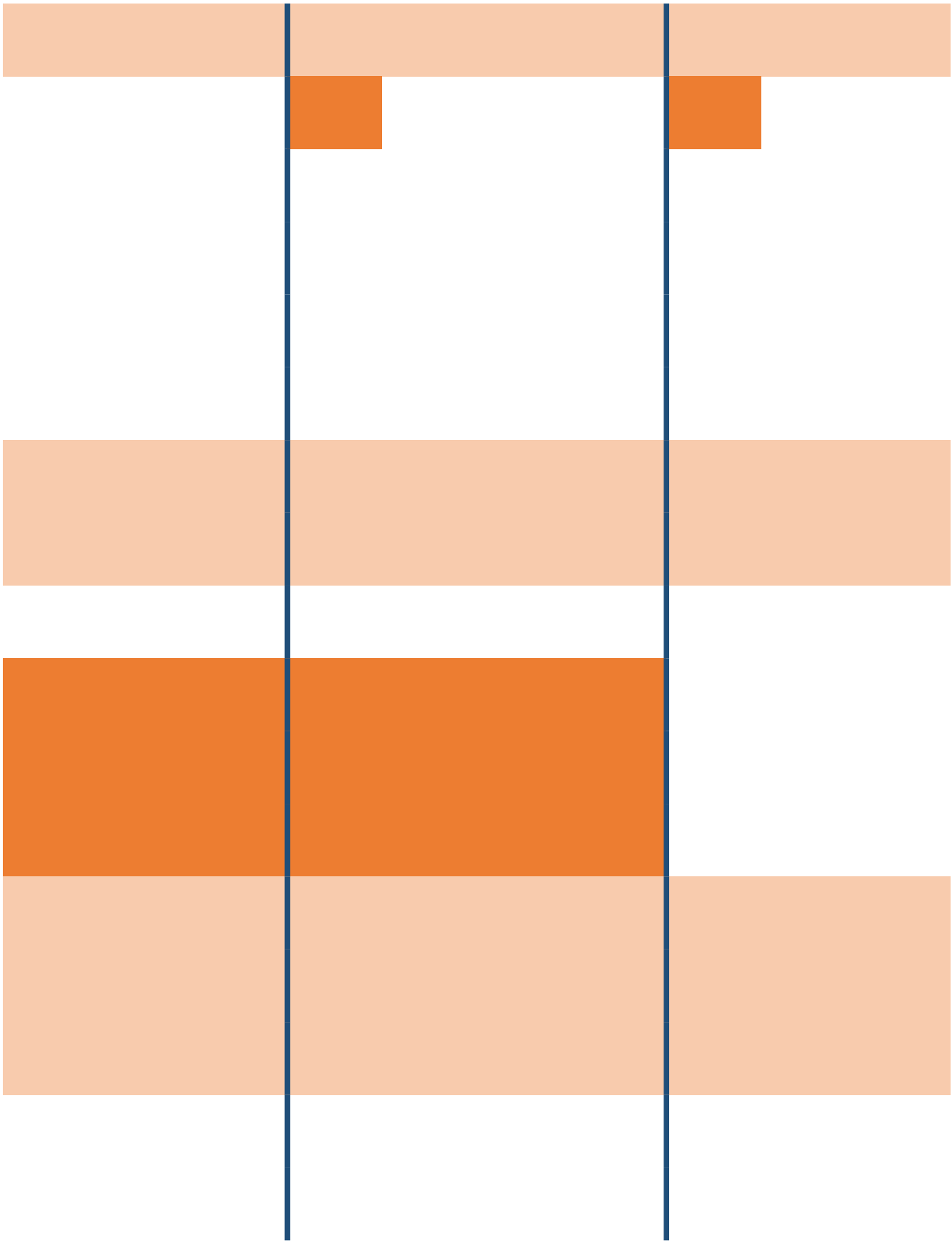


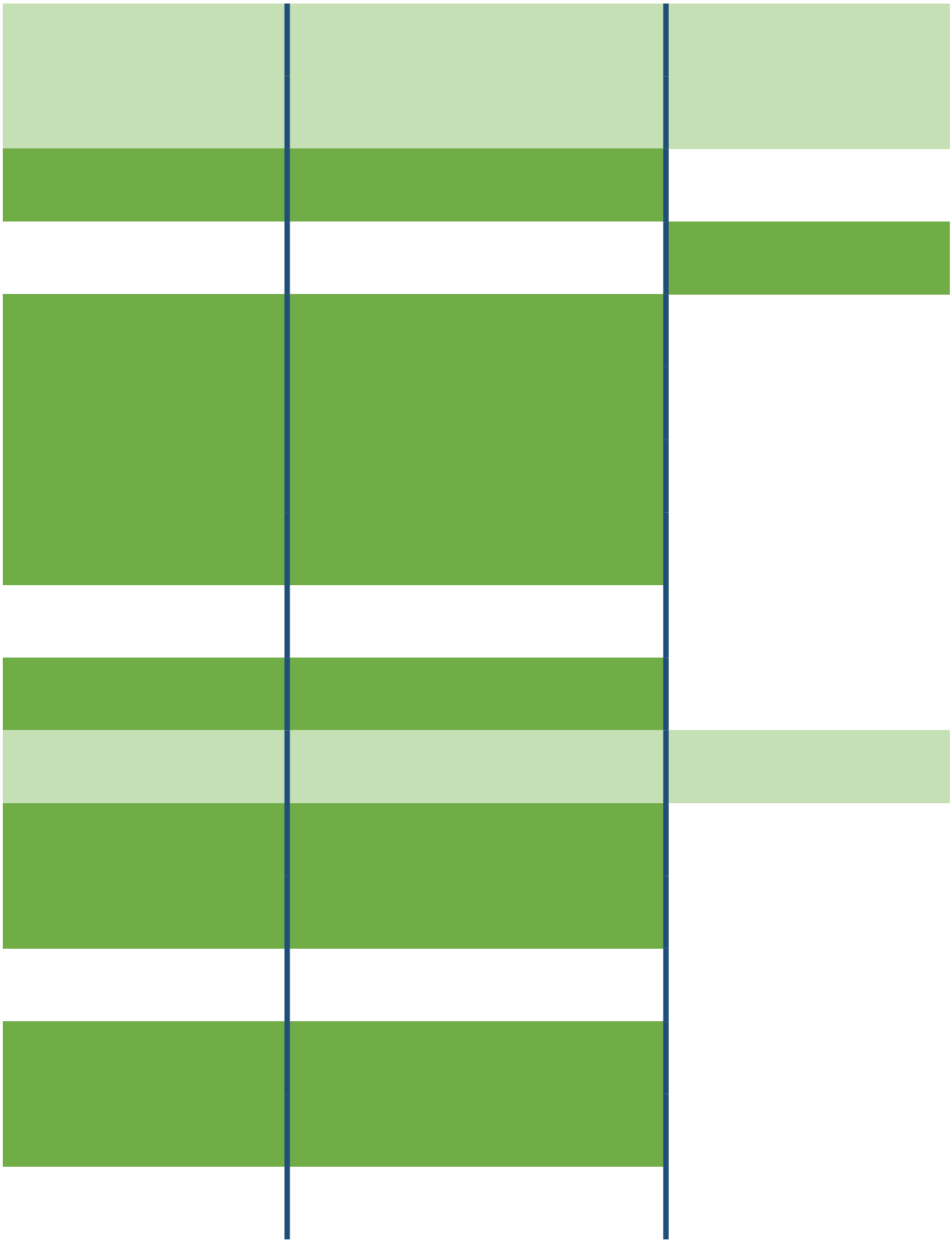
Y2-3	07/01/2028	06/30/2030
Ongoing		
Annual	06/30/2028	06/30/2032
Y2-3	07/01/2028	06/30/2030
?		
?		
?		
Y2-3	07/01/2028	06/30/2030
?		
?		
?		
?		
Annual	06/30/2028	06/30/2032
Y1 and Ongoing	06/20/2028	06/20/2032
Y1 and Ongoing	06/20/2028	06/20/2032
Y1 and Ongoing	06/20/2028	06/20/2032
Ongoing		

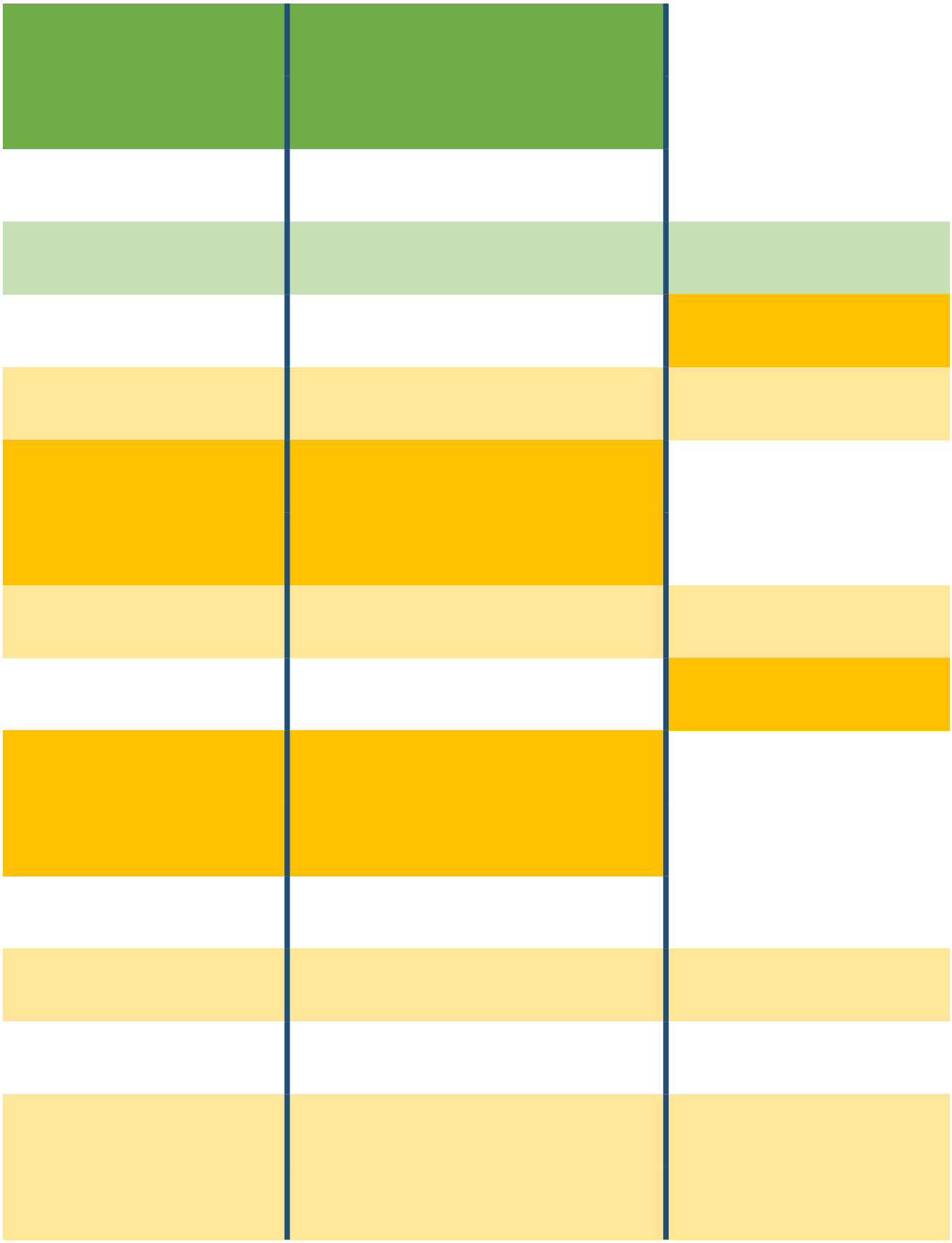


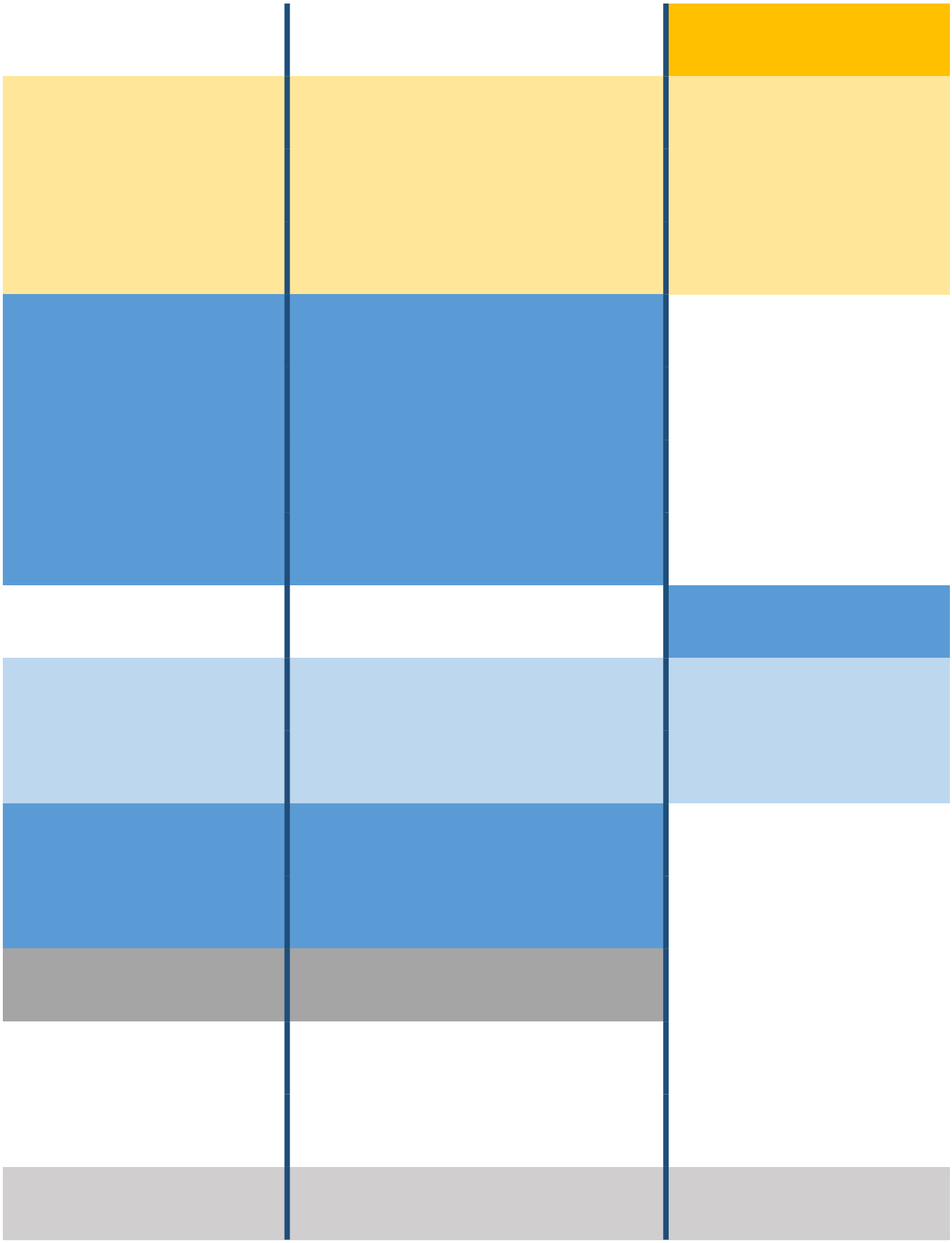
Annual	06/30/2028	06/30/2032		

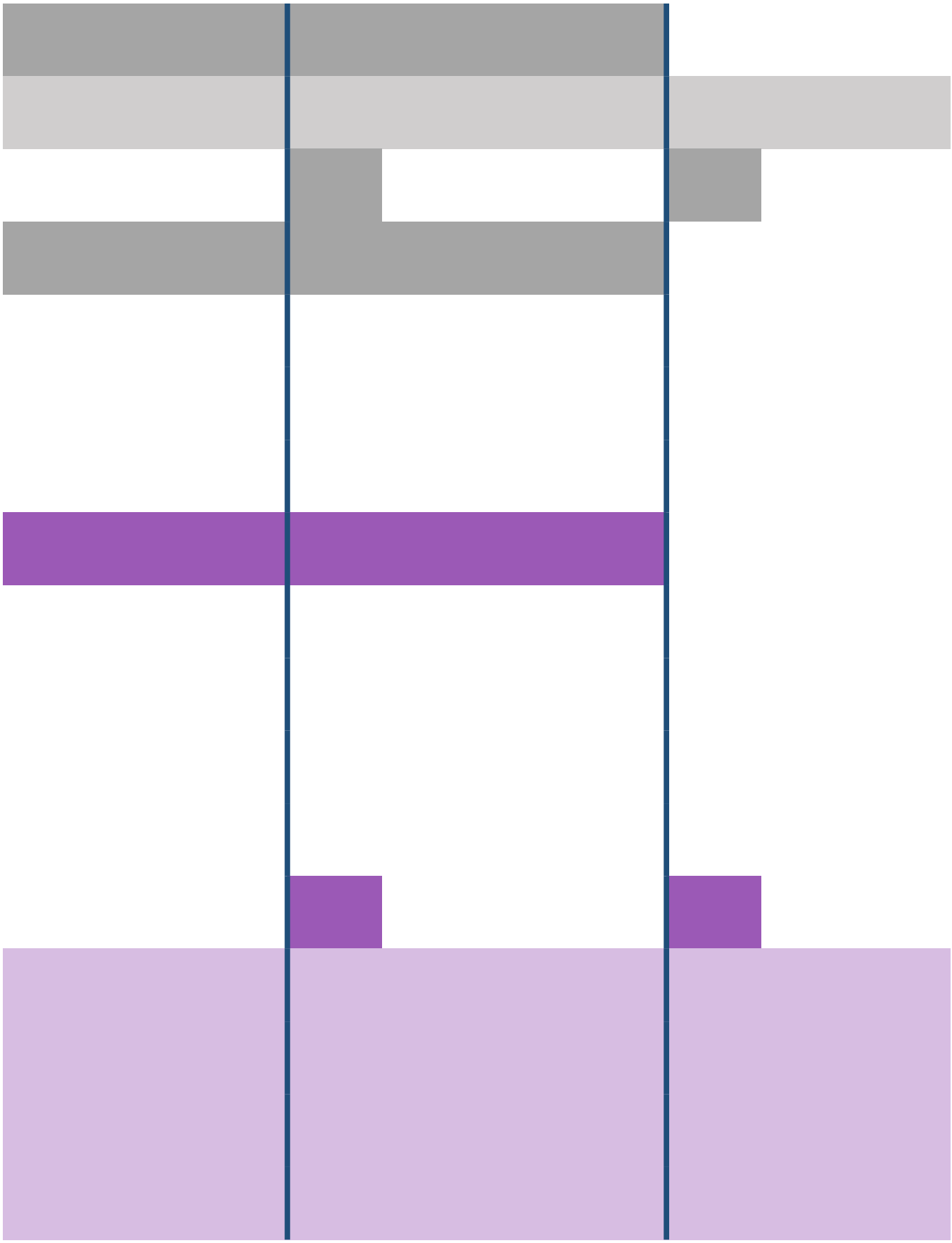

FY29 Q2
FY29 Q3
FY29 Q4
FY30 Q1
FY30 Q2
FY30 Q3
FY30 Q4
FY31 Q1
FY31 Q2
FY31 Q3



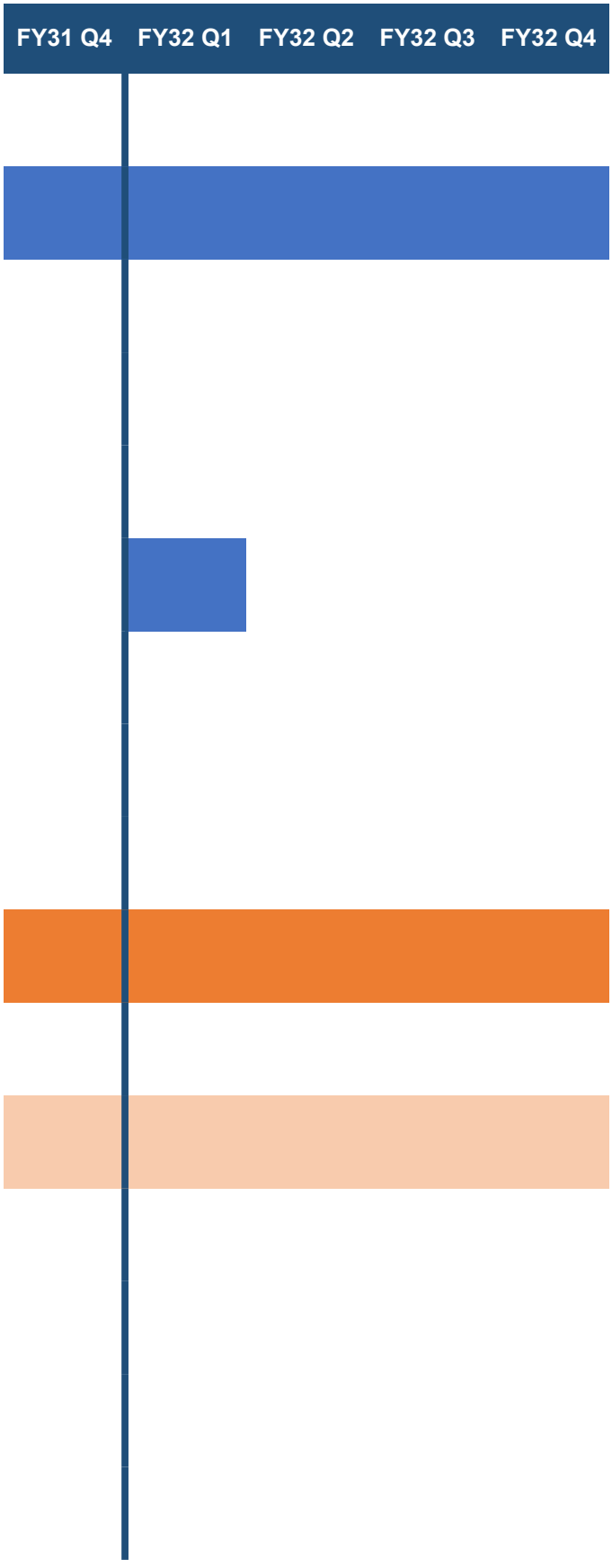











FY31 Q4
FY32 Q1
FY32 Q2
FY32 Q3
FY32 Q4

