

## Memorandum

To: Peter Matchak, Director, Department of Planning and Community Development

From: Karl F. Seidman Consulting Services

Re: Peer Review of Fiscal Impact Analysis for Trammel Crow Residential Project at the 10 Plain Street site prepared by Fougere Planning and Development, Inc.

Date: October 17, 2025

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This memo summarizes the results from my review of the Fiscal Impact Analysis Report prepared by Fougere Planning and Development, Inc. for the proposed Trammel Crow Residential project at 10 Plain Street dated August 11, 2025. My review included:

- Reviewing the Fiscal Impact Analysis Report (FIAR) including its assumptions, data sources used and revenue and cost estimates;
- Reviewing the project materials submitted to the Braintree Planning Board;
- A kick-off meeting and tour of the site on September 4, 2025 with representatives of developer and Town staff;
- A follow-up interview with Mark Fougere to review questions on the FIAR;
- Interviews with: (1) the Assessor; (2) School Superintendent; (3) Police Chief and Deputy Chief of Operations; (4) DPW Commissioner and Assistant Commissioner/Town Engineer and (5) Fire Chief to review and gain feedback on the assumptions, data sources and estimates in the FIAR;
- Collecting and reviewing data on town motor vehicle excise valuations and collections;
- Estimating the project's assessed valuation using an income valuation approach; and
- Reviewing the town's pipeline of future housing development to assess the potential cumulative impact on school enrollment of the 10 Plain project in conjunction with other potential multifamily housing developments.

In summary, the Fiscal Impact Analysis's conclusion that the project will provide a substantial positive net fiscal impact is sound. However, the report summary overstates the net impact on Town revenues by failing to deduct the existing property tax and CPA revenue from the summary tax revenue data in Table 6 and Table 19. The FIAR consultant chose to report the gross revenue impact since no adjustment was made to add cost savings resulting from the removal of current uses at the site. However, these cost savings are likely to be modest given current site uses. Furthermore, the FIAR may have underestimated the development's impact on police and school costs, and therefore the amount of net fiscal impacts. Based on my analysis of the likely assessed valuation range for the project, deduction of the site's current tax revenues and the potential for higher police and school cost impacts, ***the net annual positive fiscal impact is likely to be between \$733,000 and \$1.196 million compared to \$1.225 to \$1.916 million in the FIAR.*** Table 1 compares my estimates to those in the FIAR.

One-time fee revenue is estimated at \$2,359,580, slightly above the figure in the FIAR due to a correction to the water impact fee estimate.

**Table 1. Comparison of Revenue and Cost Estimates from FIAR and Peer Review**

Revenue Source	Fiscal Impact Analysis Report		Peer Review Analysis	
	Revenue Estimate	Revenue Estimate	Low Revenue Estimate	High Revenue Estimate
Net Property Taxes*	\$2,941,233	\$2,941,233	\$2,645,000	\$2,835,000
Motor Vehicle Excise Taxes	\$214,250	\$214,250	\$233,369	\$272,500
Meal Taxes	not estimated	not estimated	\$9,323	\$18,646
Total Revenue	\$3,155,483	\$3,155,483	\$2,887,692	\$3,126,146
Service Costs	High Cost Estimate	Low Cost Estimate	High Cost Estimate	Low Cost Estimate
Police	(\$375,000)	(\$312,000)	(\$481,550)	(\$481,550)
Fire	(\$208,000)	(\$208,000)	(\$221,264)	(\$221,264)
School	(\$1,256,112)	(\$628,056)	(\$1,361,136)	(\$1,136,580)
Other Costs	(\$90,800)	(\$90,800)	(\$90,800)	(\$90,800)
Total Service Costs	(\$1,929,912)	(\$1,238,856)	(\$2,154,750)	(\$1,930,194)
Annual Net Fiscal Impact	\$1,225,571	\$1,916,627	\$732,942	\$1,195,952

\* The Fiscal Analysis Impact Report estimate is for gross property tax revenue

Several impacts and associated costs, including for traffic, water and sewer infrastructure and some public safety concerns, and the developer’s contribution to mitigate these costs, have not yet been fully analyzed and resolved. Depending on the outcome of this further analysis and mitigation negotiations, Braintree may incur additional costs.

A more detailed discussion of the review of revenue and cost estimates follows.

***Tax Revenue Estimates***

Property Taxes. The FIAR projects expected property tax revenue, motor vehicle excise tax revenue and, building permit, water connection and sewer connection fees. The property tax estimate applies Braintree’s FY25 tax rate of \$9.98 per thousand dollars of assessed valuation (AV) to an estimated AV of \$291,794,832 to yield annual tax revenues of \$2,912,112. The AV is based on the average per unit assessed valuation of \$388,025 from the four apartment complexes in Braintree, Quincy and Weymouth, summarized in Table 2.

**Table 2. Apartment Complexes Used to Estimate the 10 Plain Street Assessed Value**

Apartment Complex	Community	Year Completed	Number of Units	AV/Unit
Lenox Farm	Braintree	2009	338	\$304,938
Elevation	Quincy	2018	492	\$352,138
Ashlar Park	Quincy	2023-24	405	\$484,253
Hanover at Weymouth	Weymouth	2024	270	\$391,706

There is considerable variation in the AV/unit across the four projects with the valuation for Ashlar Park 58% higher than that for Lenox Farm and 24% above Hanover at Weymouth, the next highest assessed value. While the valuations are higher for the two more recent projects, which are more likely to reflect the newly built quality and amenities at the Trammel Crow development, the average valuation used in the FIAR (\$388,025) is close to that for the most recently built project, the Hanover at Weymouth (\$391,706).

To evaluate this estimate, I projected the AV based estimated net operating income (NOI), using rents per SF from the Ashlar Park and Hanover at Weymouth projects, and data from the ZOM project market study along with assumptions for other revenue and operating costs confirmed with the developer. Determining the assessed valuation based on the capitalized value of a project’s income is a common method used by local tax assessors and was confirmed in my interview with Assessor Paul Sullivan. The projected net income was then divided by an 8% cap rate, reflecting a project financed with 75% debt and 25% equity at current financing terms. The resulting net income-based valuation was \$281 million, or \$373,739 per unit. An alternative valuation using a 7.5% cap rate, to account for a potential decline in borrowing interest rates, yields an AV of \$299.8 million, or \$398,655, per unit.

Table 3, which compares these two additional AV estimates with the FIAR estimate and the valuations for the two most recent comparable projects, suggests that the project’s AV is likely to fall in a range of \$375,000 to \$400,000. This range results in a total property AV of between \$282 million and \$301.8 million and annual tax revenues between \$2,814,360 and \$3,001,984 plus an additional \$28,144 to \$30,020 with the Community Preservation Act (CPA) 1% surcharge.

**Table 3. Assessed Valuation Estimates**

Assessment Case	AV/Unit	Total AV	Property Taxes
NOI @ 8% Cap rate	\$373,739	\$281,052,040	\$2,804,899
NOI @ 7.5% cap rate	\$398,655	\$299,788,843	\$2,991,893
Hanover at Weymouth	\$391,706	\$294,562,912	\$2,939,738
Ashlar Park	\$484,253	\$364,158,256	\$3,634,299
FIAR estimate	\$388,025	\$291,794,800	\$2,912,112

Source: Karl F. Seidman Consulting Services and Fougere Planning & Development, *Trammel Crow Residential Fiscal Impact Analysis*

There will be a loss of property tax revenue from the existing uses on the 31-acre Plain Street property. The FIAR estimates a loss of \$195,499 in property taxes from reduced AV of \$9,187,300. This estimate is accurate, reflecting the current AV and \$21.28 commercial property tax rate. However, the FIAR does not deduct this amount from the property tax revenue figures in the summary Tables 6 and 19; these tables list the gross property tax and CPA tax collections, overstating the net revenue impact.

After deducting the loss of \$195,499 in property taxes from existing uses on the site, the net annual property tax revenue with CPA will likely fall in a range of \$2,645,000 to \$2,835,000.

Motor Vehicle Excise (MVE) Taxes. The fiscal impact analysis projects \$214,250 in annual MVE tax revenue assuming an average of 1.14 vehicle per household (one vehicle per studio and one-bedroom apartments, 1.25 vehicles per household in two-bedroom apartments and 1.5 vehicles in three-bedroom apartments), and an average vehicle valuation of \$10,000. This estimate is reasonable but may be on the conservative side based on the low estimate for vehicles per household.

The \$10,000 valuation assumption is above Braintree’s average vehicle valuation of \$8,564 in FY2025, but vehicles at the project may well have higher valuations. Vehicles prices have been increasing and there is likely to be considerable tenant turnover each year, which may lower the number of long-term residents with older vehicles.

The FIAR vehicle per household estimates seem conservative since some studio and one-bedroom units may be occupied by a couple with two vehicles. Based on census data from the 2023 five-year American Community Survey, there were 1.19 vehicles for all renter households and 1.47 for those households with a vehicle. If most tenants at the Tramell Crow development have a vehicle, the average vehicles per apartment would be close to 1.45, and result in annual MVE revenues of \$233,369 based on Braintree’s 2025 average valuation and \$272,500 with a \$10,000 average valuation.

Meals Tax. Braintree has adopted the .75% local option meals tax and will receive some additional tax revenue from local dining by new residents at the development. The 752 households are estimated to spend \$4.97 million annually on dining out, based on \$6,612 in average annual spending for a Boston metro area household.<sup>1</sup> Only part of this spending will occur in Braintree. Assuming one-quarter to one-half of the spending occurs at Braintree businesses, the annual meals tax increase would be modest between \$9,323 and \$18,646.

Table 4 summarizes the recurring annual revenue estimate range from the 10 Plain Street project based on the above discussion.

**Table 4. Braintree Annual Revenue Estimate Ranges from the 10 Plain Street Development**

<b>Revenue Source</b>	<b>Low Estimate</b>	<b>High Estimate</b>
Net Property Taxes	\$2,645,000	\$2,835,000
Motor Vehicle Excise	\$233,369	\$272,500
Meals Tax	\$9,323	\$18,646
<b>Total</b>	<b>\$2,887,692</b>	<b>\$3,126,146</b>

<sup>1</sup> The 2022-2023 US Bureau of Labor Statistics Consumer Expenditure survey for the Boston region reported in annual spending of \$5,687 for food away from home, which was increased by 16.3% based on price increases for food away from home from January 2023 to July 2025.

Water and Sewer Connection Fees. The Department of Public Works confirmed that the FIAR estimate for sewer connection fees (\$892,430) was correct but noted that the water connection fees were low. The actual fee will be \$110,000 based on six connections (five at four inches and one at six inches) rather than \$90,000 for two eight inch connections assumed in the FIAR. The adjusted amount for water and sewer connection fees is \$1,002,430.

Building Permit Fees. Building permit fees were estimated at \$3.08 million dollars, based on Braintree's fee schedule of \$20/\$1000 of construction costs and estimated total construction costs of \$154 million. The construction cost estimate amounts to \$204.8 thousand per unit, which is a low figure given the \$277,000 per unit construction cost estimate for the ZOM project and Boston area contractor estimates for similar scale multifamily housing in the \$300,00 to \$350,000 cost range.

### ***Service Cost Estimates***

The fiscal impact analysis identified the main Town departments that will be impacted by the 10 Plain Street project as Police, Fire, and Schools. For the Police and Fire Department, the additional service needs from the new development were estimated based on the projected number of service calls from the development using data for service calls per housing unit from a sample of comparable apartment developments. The consultant reviewed the service call estimates and their cost impact with Fire and Police Department staff to arrive at the final cost impact figures.

Police. For the Police Department, the annual cost impact of \$312,000 to \$375,000, was based on adding a new seventh patrol sector to serve the area containing the development deploying an additional of 2.5 to 3 new police officers at an annual cost of \$125,000 per officer. This estimate appears low based on my interview with the Police Chief Cohoon and Deputy Chief Want. A new patrol sector will require 3 full-time officers to provide 24-hour coverage, with the annual salary for the night-time shift estimated at \$150,000, and an additional police cruiser. To meet these departmental needs, the cost impact is estimated at \$471,550 including \$420,484 for salaries and \$51,066 for the police cruiser<sup>2</sup>. Additional equipment and training costs for the new officers are estimated to add another \$10,000 annually for a total cost estimate of \$481,550.

The Police Chief indicated that the full cost impact of the development will not be known until the project is completed and occupied and that these estimates may not fully capture the cost impact. Braintree does not have experience with a development of this size, which due to its scale, including increased traffic along two heavily trafficked roads, may generate a higher level

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<sup>2</sup> Police salaries were assumed to be \$90,000 for two shifts and 150,000 for the third overnight with fringe benefits calculated based on a fringe calculator provide Braintree's Finance Director. The police cruiser annual cost assumed a \$325,00 purchase price financed over seven years at 2.5%.

of police calls and perhaps more time-consuming ones than anticipated. To address these concerns, the Police Department is proposing several mitigation measures including a traffic study, the installation of flock cameras at or near both entrances, a radio repeater for Highland Street and Pond Street, CCTV and lightening for the parking lot and increased staffing of the traffic unit. Depending on the outcome of negotiations between the Town and the developer, the cost for some of these mitigation measures may be incurred by Braintree.

Fire. For the Fire Department, the annual cost impact was estimated at \$208,740 based on the 10 Plain Street project generating 147 new calls per year and an average cost per call of \$1,420. The estimated number of call is reasonable and well supported by data, and confirmed by the Fire Chief. The cost per call was calculated by dividing the FY2026 Fire Department budget by the number of annual calls. The Fire Chief expected this cost to increase by around 6% over the next few years due to salary increases in the next contract. A 6% increase would raise the per call cost to \$1,505 and the estimate annual cost impact to \$221,264.

School Costs Impacts. The FIAR estimates net new school costs in the range of \$628,056 to \$1,256,112. The high estimate is based on additional school personnel costs of \$560,000 to add eight new teachers, special education costs of \$1,170,000 and an offset of \$473,888 for increased state Chapter 70 aid generated by the new students at 10 Plain Street development project. The low estimate cuts the total estimate in half by \$628,056 based on the potential that new students will be spread evenly across all grades and further reductions in school enrollment will require fewer or no additional teachers.

The FIAR school cost estimate is based on the expected number of new school age students (SAC) at the development, the school system's capacity to absorb these new students with existing facilities and staffing, and the resulting marginal costs to educate the expected number of new students.

An additional 117 SAC are projected to enter the school system from the 10 Plain Street development. The FIAR consultant applied average SAC ratios for studio, one-bedroom and two-bedroom units from the Landing 53 and Lenox Farms apartment complexes in Braintree to estimate school children for the planned number of respective market rate units at 10 Plain Street. The SAC ratios used for estimate school children in the three-bedroom units and affordable housing units were from the consultant's database of mixed-income apartment developments in the Greater Boston region. The estimate of 117 new SAC at 10 Plain Street is reasonable and well supported by data. Based on grade profile data from two Braintree apartment complexes, the FIAR projected 47 elementary school students, 33 middle school students and 37 high school students.

According to School Superintendent MacDonald, the biggest challenge for Braintree Schools is accommodating the new school children at the elementary school level. The project site, in the south side of Braintree, is served by two elementary schools that are already at full capacity.

Consequently, new teachers will need to be added to provide sufficient classes to accommodate these additional students. While the exact number of new teachers will depend on the final grade levels of enrolled students from the development, the Superintendent believed that the eight new teachers assumed in the FIAR was a good estimate. He also confirmed that most new teachers are at step 1 with starting salaries of \$56,000. This translates to annual cost of \$74,852 with fringe benefits, slightly above the \$70,000 figure used in the FIAR. To accommodate the transportation of many new students concentrated at one location, a new bus route will need to be added, which will require hiring a new bus driver and leasing a school bus at an annual cost of \$68,276 (\$48,276 for the driver and \$20,000 for the bus lease). The estimated cost for the eight teachers and school transportation is \$667,092.

Superintendent MacDonald confirmed that the assumptions used for special education costs, 22% of students receiving special education services at an average cost of \$45,000 are accurate today. However, he expressed concern that the percentage could increase with the large supply of new housing at 10 Plain Street. He noted that Braintree has an excellent reputation for special education with families moving to town specifically to access these services. With the large supply of new housing at 10 Plain Street, even more families might move to Braintree for special education, raising the percentage of special education students and requiring the hiring of new teachers and other specialists, i.e., occupational therapists, speech therapists with costs that exceed the current \$45,000 per student average.

Braintree's per student Chapter 70 aid for FY2025 was \$4,068, slightly above the \$4,016 figure used in the FIAR. This small difference is not significant, representing only \$6,084 for 117 students.

Several factors indicate the FIAR underestimates the development's impact on school costs:

- The low estimate reduces the cost impact by \$628,056, exceeding the FIAR's \$560,00 estimate for new teachers--effectively assuming that no new teachers would be needed. This assumption seems too optimistic given the concentration of elementary school enrollment from the project at schools that are currently facing capacity issues. The FAIR projects 47 new elementary school students from both phases of the project – an average of over nine student per grade. It seems unlikely that no new teachers would be needed to accommodate nine students per grade given typical elementary school class sizes of 15 to 20 students per class. A more prudent low estimate would be based on adding one teacher per grade level, or five teachers rather than the high estimate of eight new teachers.
- The salary and benefit figure used for new teacher salaries is almost \$5,000 too low;
- No account is made for the added transportation costs of \$68,000.

Based on these factors, an alternative range of school costs between \$1,137,000 and \$1,361,000 is recommended and summarized in Table 5.

**Table 5. Alternative School Cost Impact Estimate**

Cost Item	Low Estimate	High Estimate
New Teachers	\$374,260	\$598,816
Special education	\$1,170,000	\$1,170,000
Transportation	\$68,276	\$68,276
Less Chapter 70 Aid	-475956	-475956
Total	\$1,136,580	\$1,361,136

Since the 10 Plain Street project is one of several new multifamily projects either proposed or permitted in Braintree, the combined number of new SAC from these projects, if they are all completed, could have a greater impact on school costs than what the FIAR estimated for the 10 Plain Street project alone. Table 6 summarizes the total number of units and unit size mix for six multifamily housing projects (other than 10 Plain Street) in Braintree’s current development pipeline. One project is under construction(56 units) , two are permitted projects (403 units), three are proposed projects (189 units). These six projects could add another 648 units, if they are all built as currently proposed, potentially adding up to another 85 students beyond the impact from 10 Plain Street.

**Table 6. Braintree Multifamily Development Pipeline Without 10 Plain Street\***

Development Name	Status	Total Units	Studio	1BR	2BR	3BR
44 Allen Street	Under Construction	56		22	29	5
Chapter 40B/383 Washington Street	Permitted	78	4	30	29	15
ZOM/Residences at South Shore	Permitted	325	36	162	127	0
37-89 Pearl Street+	Proposed	105	21	63	21	0
1139-1151 Washington Street**	Proposed	45				
1157 Washington Street**	Proposed	39				
<b>Total Housing Pipeline</b>		<b>648</b>	<b>40</b>	<b>214</b>	<b>185</b>	<b>20</b>

Source: Braintree Planning and Community Development Department

\* Omits 338 Elm Street which is a 55+ development that will not have school children

+ Plan has not yet been submitted

\*\*Project filing with ZBA expected soon; unit mix not yet announced

When the potential school cost impact from these additional housing developments were discussed with School Superintendent MacDonald, he indicated that it will depend on the specific grade levels of these students and which elementary schools they attend. Assuming that the new students are split across grade levels with 20 to 25 additional elementary school students, this could generate a need for two to three additional teachers, at a cost of \$137,000

to \$205,000. This cost impact is modest and is likely to be addressed by additional tax revenues generated by these developments.

Other costs. The development's impact on Town transportation, water and sewer infrastructure has not been fully analyzed and any associated costs determined. The traffic peer review report recommended additional traffic impact analysis and several mitigation measures, which may expand with the additional analysis. A sewer and water capacity study is being done and while the DPW Director and Town Engineer don't expect any capacity issues at treatment plants from the 10 Plain Street development, water and sewer infrastructure impacts are still under review. There is an expectation that any mitigation costs related to traffic, water and sewer improvements will be paid for by the 10 Plain Street developer, but these negotiations have not yet been undertaken. Depending on the outcome of these negotiations, Braintree may incur additional costs.

It is difficult to estimate the impact of 10 Plain Street on other Town services, such as Elder Affairs and the Library, as these impacts are highly dependent on the project's residents and the nature and extent of their use of these services. The FIAR allowance of \$120 per unit is a reasonable way to account for some cost impact on these services.

Other Potential Costs and Benefits. The FIAR identifies the major fiscal benefits and costs that are likely to result from the 10 Plain Street development, excepting the transportation and infrastructure impacts that are still being studied. There may also be some small cost savings in police and fire services associated with serving existing site uses.

Additional non-fiscal benefits from the project include the provision of 76 new affordable housing units, increasing housing options in Braintree to serve current and future residents and increasing open space and public walking trails. The development also will bring a large and long underutilized former manufacturing site back into productive use and remediate any remaining environmental contamination issues at the site. These improvements also capitalize on the Town's planning and investment for the area's ecological restoration through the Monatiquot River Restoration Project. By attracting 752 additional households to Braintree, the development will increase consumer spending within the Town, a portion of which will benefit local businesses.

As noted in this memo, there are some additional cost risks from the 10 Plain Street development beyond those included in the FIAR report, including greater than expected costs for police services, costs for higher than projected special education students and traffic, water and sewer improvements, that are not covered by developer mitigation payments.

Additional Economic and Other Factors. Property taxes from the 10 Plain Street project, which account for over 90% of the net annual revenue impact, depend on the project's market

and financial performance. If the project does not achieve its projected rents and occupancy levels, then its income and assessed valuation will be lower, resulting in lower than projected tax revenue. If new apartment development in the region outpaces demand over the next several years, then market rents may be less than projected for the project. Alternatively, the project might not achieve projected rent levels and occupancy if renter households in the region view other housing options as more desirable. The existing housing shortage, the development's location, planned quality and amenities all mitigate against this risk.

The property's assessment and tax revenue are also affected by interest rates and investor return requirements, which affect the market cap rate used to value the property. If there is a new bout of inflation that is accompanied by higher interest rates, cap rates will increase and the assessed valuation and property taxes will be lower. For example, if the cap rate increases to 10%, the AV and property tax revenue would decrease by 20%.

The composition of the households renting the 10 Plain Street apartments will affect the actual impact on Town services and costs. If the tenant households have more SAC than projected or the children are concentrated in a few grades, or need more special education services than estimated, then the project will have a larger impact on school costs. Similarly, if the complex generates more police and fire calls than has occurred at the apartment complexes used for these estimates, then Braintree will incur higher public safety costs.

Conclusion. The proposed Trammel Crow housing development at 10 Plain Street will likely have a substantial positive net fiscal benefit to Braintree while converting a large long-vacant site back into productive use while adding amenities to benefit the larger community and expanding household spending to support local businesses.