



Massachusetts Housing Finance Agency  
One Beacon Street, Boston, MA 02108

TEL: 617.854.1000 | FAX: 617.854.1091  
VP: 866.758.1435 | www.masshousing.com

July 6, 2015

BPJC LLC  
935 Main Street  
Chatham, MA 02633  
Attention: Mr. Christopher D. Wise

**Re: 350 Bradford Street, Provincetown  
Project Eligibility/Site Approval  
Project #743**

Dear Mr. Wise:

This letter is in response to your application as "Applicant" for a determination of Project Eligibility (Site Approval) pursuant to Massachusetts General Laws Chapter 40B ("Chapter 40B"), 760 CMR 56.00 (the "Regulations") and the Comprehensive Permit Guidelines issued by the Department of Housing and Community Development ("DHCD") (the "Guidelines" and, collectively with Chapter 40B and the Regulations, the "Comprehensive Permit Rules"), under the New England Fund ("NEF") Program ("the Program") of the Federal Home Loan Bank of Boston ("FHLBB").

You have proposed to build 24 homeownership units (the "Project") on 39,189 square feet of land located at 350 Bradford Street (the "Site") in Provincetown (the "Municipality").

In accordance with the Comprehensive Permit Rules, this letter is intended to be a written determination of Project Eligibility ("Site Approval") by MassHousing acting as Subsidizing Agency under the Guidelines, including Part V thereof, "Housing Programs In Which Funding Is Provided By Other Than A State Agency."

MassHousing has performed an on-site inspection of the Site, which local boards and officials were invited to attend, and has reviewed the pertinent information for the Project submitted by the Applicant, the Municipality and others in accordance with the Comprehensive Permit Rules. The Municipality was given a thirty (30) day period, in which to review the Site Approval application and submit comments to MassHousing. Based on MassHousing's consideration of comments received from the Municipality, and its site and design review, the following issues should be addressed in your application to the local Zoning Board of Appeals ("ZBA") for a Comprehensive Permit and fully explored in the public hearing process prior to submission of your application for final approval under the Program:

## **Municipal Comments**

- The Municipality is concerned with work related to the existing retaining wall, the site work required to stabilize the slope and preservation of the dune. Please be prepared to discuss this issue further with local officials during the public hearing.
- The Municipality expressed concern about storm-water management issues resulting from an increase in impervious surface and the potential negative impacts on abutting properties and roadways. Please be prepared to discuss this issue further with local officials during the public hearing.
- The Municipality expressed concern with the proposed building design, stating that its scale and modern design are incompatible with the surrounding uses. Please be prepared to discuss these issues further with local officials during the public hearing.
- The Municipality is concerned that the existing public sewer system may not have the capacity to handle the additional flows generated from your development. We encourage you to discuss this issue further with local officials during the public hearing.
- The Municipality is concerned that the density proposed for this development is significantly higher than surrounding uses. Please be prepared to discuss this issue further with local officials during the public hearing.
- The Municipality expressed preference for rental housing as an alternative to homeownership due to market conditions that have made it challenging to sell affordable for sale homes. Please be prepared to discuss this issue further with local officials during the public meeting.

## **Cape Cod Commission Comments**

In addition to the comments from town officials, MassHousing received a letter from The Cape Cod Commission that raised concerns about the project's consistency with site and building design standards contained in DHCD regulations (760 CMR 56.04(4), the Barnstable County Regional Policy Plan (RPP), and with existing development on historic Route 6A (on which the site fronts) and Provincetown's National Register Historic District abutting the site. The Commission staff recommended that the building design incorporate varied roof forms and heights, and lessen the use of plate glass and include more traditional Cape Cod building materials. You submitted a revised sketch of the proposed development that takes into account the comments made by The Cape Cod Commission and the Town of Provincetown. The revised rendering of the exterior elevation introduce changes to the roof form, a significant reduction in plate glass and an emphasis on the use of traditional Cape Cod building materials.

## **Community Comments**

MassHousing received 116 letters from area residents, all of which expressed opposition to the proposed development. While letters from members of the community basically echoed the concerns identified by the local officials, the letters received are summarized below:

- Area residents expressed concern about potentially negative environmental impacts of the Project. They noted that portions of the Site have historically experienced flooding, and expressed concern that Project grading could result in erosion and flooding impacts on adjacent properties.
- Area residents believe the proposed building is significantly out of scale for the existing residential neighborhood and that it would destroy the overall visibility of the homes situated on the dune behind it.
- Area residents are concerned with the roof top placement of HVAC and AC units and the likely noise caused by them.

## **MassHousing Determination**

MassHousing staff has determined that the Project appears generally eligible under the requirements of the Program, subject to final review of eligibility and to Final Approval. As a result of our review, we have made the findings as required pursuant to 760 CMR 56.04(1) and (4). Each such finding, with supporting reasoning, is set forth in further detail on Attachment 1 hereto.

This approval is expressly limited to the development of no more than twenty four (24) homeownership units under the terms of the Program, with not less than 6 of such units restricted as affordable homeownership units for low and moderate income persons or families as required under the terms of the Guidelines. It is not a commitment or guarantee of NEF financing and does not constitute a site plan or building design approval. Should you consider, prior to obtaining a Comprehensive Permit, the use of any other housing subsidy program, the construction of additional units or a reduction in the size of the Site, you may be required to submit a new Site Approval application for review by MassHousing. Should you consider a change in tenure type or a change in building type or height, you may be required to submit a new Site Approval application for review by MassHousing.

For guidance on the Comprehensive Permit review process, you are advised to consult the Guidelines. Further, we urge you to review carefully with legal counsel the M.G.L. c.40B Comprehensive Permit Regulations and 760 CMR 56.00.

This approval will be effective for a period of two years from the date of this letter. Should the Applicant not apply for a Comprehensive Permit within this period or should MassHousing not extend the effective period of this letter in writing, this letter shall be considered to have expired and no longer be in effect. In addition, the Applicant is required to notify MassHousing at the following times throughout this two year period: (1) when the Applicant applies to the local ZBA

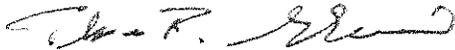
for a Comprehensive Permit, (2) when the ZBA issues a decision and (3) if applicable, when any appeals are filed.

Should a comprehensive permit be issued, please note that prior to (i) commencement of construction of the Project or (ii) issuance of a building permit, the Applicant is required to submit to MassHousing a request for Final Approval of the Project (as it may have been amended) in accordance with the Comprehensive Permit Rules (see especially 760 CMR 56.04(07) and the Guidelines including, without limitation, Part III thereof concerning Affirmative Fair Housing Marketing and Resident Selection). Final Approval will not be issued unless MassHousing is able to make the same findings at the time of issuing Final Approval as required at Site Approval.

**Please note that MassHousing may not issue Final Approval if the Comprehensive Permit contains any conditions that are inconsistent with the regulatory requirements of the New England Fund Program of the FHLBB, for which MassHousing serves as Subsidizing Agency, as reflected in the applicable regulatory documents. In the interest of providing for an efficient review process and in order to avoid the potential lapse of certain appeal rights, the Applicant may wish to submit a "final draft" of the Comprehensive Permit to MassHousing for review. Applicants who avail themselves of this opportunity may avoid significant procedural delays that can result from the need to seek modification of the Comprehensive Permit after its initial issuance.**

If you have any questions concerning this letter, please contact Michael J. Busby at (617) 854-1219.

Sincerely,



Thomas R. Gleason  
Executive Director

cc: Chrystal Kornegay, Undersecretary, Department of Housing and Community  
Development  
Erik Yingling, Vice Chairman, Provincetown Board of Selectmen  
David Nicolau, Chairman, Provincetown Zoning Board of Appeals

## Attachment 1.

760 CMR 56.04. Project Eligibility: Other Responsibilities of Subsidizing Agency  
Section (4) Findings and Determinations

### **350 Bradford Street, Provincetown, MA #743**

After the close of a 30-day review period and extension, if any, MassHousing hereby makes the following findings, based upon its review of the application, and taking into account information received during the site visit and from written comments:

*(a) MassHousing finds that the proposed Project appears generally eligible under the requirements of the housing subsidy program, subject to final approval under 760 CMR 56.04(7);*

The Project is eligible under the NEF housing subsidy program and at least 25% of the units will be available to households earning at or below 80% of the Area Median Income, adjusted for household size, as published by the U.S. Department of Housing and Urban Development (“HUD”). The most recent HUD income limits indicate that 80% of the current median income for a four-person household in Provincetown is \$65,800. The Applicant has a letter of financial interest from The Cooperative Bank of Cape Cod, a member bank of the FHLBB under the NEF Program.

*(b) MassHousing finds that the site of the proposed Project is generally appropriate for residential development, taking into consideration information provided by the Municipality or other parties regarding municipal actions previously taken to meet affordable housing needs, such as inclusionary zoning, multifamily districts adopted under c.40A, and overlay districts adopted under c.40R, (such finding, with supporting reasoning, to be set forth in reasonable detail);*

Provincetown does not have a Housing Production Plan approved or certified by DHCD. Provincetown has 169 Subsidized Housing Inventory (SHI) units (8% of its housing inventory) which are 42 SHI units shy of the 10% SHI threshold.

*(c) MassHousing finds that the conceptual project design is generally appropriate for the site on which it is located, taking into consideration factors that may include proposed use, conceptual site plan and building massing, topography, environmental resources, and integration into existing development patterns (such finding, with supporting reasoning, to be set forth in reasonable detail);*

**Relationship to Adjacent Building Typology** (Including building massing, site arrangement, and architectural details):

The subject area consists of commercial properties including restaurants, bars, art galleries, gift shops, apparel shops and multi-family dwellings. The layout places the principle massing of the building back from the street which serves as a retaining wall for stabilizing the slope resulting in

minimal impact to the street scape. From the east, most of the building will be shielded by the hill. The building is designed to minimize visual impact, reduce the overall scale of the building and preserve abutter views of Cape Cod Bay. The portion of the building that abuts Bradford Street is proposed to be the width of a typical single family home. The Applicant has responded to comments regarding proposed building design and has submitted revised renderings of the exterior elevation that offer more traditional Cape Cod details in materials and design. The roof form has been varied to further mitigate the massing of the structure.

### **Relationship to Adjacent Streets**

The subject's immediate neighborhood is located along Bradford Street, which runs parallel to Commercial Street. Commercial Street represents the main commercial district in Provincetown. The relationship of the proposed Site access and egress to and from Bradford Street does not present any discernable public safety impacts. There appears to be adequate lines of sight for vehicles entering and exiting the proposed Site. The revised conceptual drawings create an appropriate relationship to existing uses and structures along adjacent streets.

### **Density**

The Development's overall density is 26.69 units per buildable acre. While this represents a higher level of density than that found in the surrounding residential neighborhoods, it is considered a reasonable level of density for multi-family housing developments.

### **Conceptual Site Plan**

The Developer intends to place the building into the steep hill on the north side of the property, preserving the primary views of residents on top of the hill adjacent to the site. The inclusion of below grade parking within the proposed residential structure will result in reduced impervious surfaces and an improved site layout. The building placement will also contribute to mitigating the impact of the building's massing on adjacent properties.

### **Topography**

The front section of the property is level with a steep grade at the rear of the property rising to an elevation of approximately 40 feet. The existing topography is proposed to be shaped in a manner that will assist the proposed development in utilizing the Site efficiently, but careful attention must be taken in reworking the existing slope.

### **Environmental Resources**

The subject property is within a short walking distance of Cape Cod Bay.

### **Proposed Use**

Based on MassHousing staff's site inspection, internal discussions, and a thorough review of the application, MassHousing finds that the Site is suitable for residential use and development and that such use would be compatible with surrounding uses.

*(d) MassHousing finds that the proposed Project appears financially feasible within the housing market in which it will be situated (based on comparable rentals or sales figures);*

The Project appears financially feasible based on a comparable sales letter submitted by realtor Emily Flax of Sotheby's International Realty of Provincetown, MA.

*(e) MassHousing finds that an initial pro forma has been reviewed, including a land valuation determination consistent with the Department's Guidelines, and the Project appears financially feasible and consistent with the Department's Guidelines for Cost Examination and Limitations on Profits and Distributions (if applicable) on the basis of estimated development costs;*

The initial pro forma has been reviewed for the proposed residential use and the Project appears financially feasible with a projected profit margin of 12.38%. In addition, a third party appraisal commissioned by MassHousing has determined that the "As Is" land value for the Site of the proposed Project is \$1,315,000.

*(f) MassHousing finds that the Applicant is a public agency, a non-profit organization, or a Limited Dividend Organization, and it meets the general eligibility standards of the housing program; and*

The Applicant must be organized as a Limited Dividend Organization prior to applying for Final Approval. MassHousing sees no reason this requirement could not be met given information reviewed to date. The Applicant meets the general eligibility standards of the NEF housing subsidy program.

*(g) MassHousing finds that the Applicant controls the site, based on evidence that the Applicant or a related entity owns the site, or holds an option or contract to acquire such interest in the site, or has such other interest in the site as is deemed by the Subsidizing Agency to be sufficient to control the site.*

The Applicant controls the entire 39,189 square foot Site under a deed of ownership.