



CAROLINE K. LEONARD

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VIA FEDERAL EXPRESS OVERNIGHT
Tracking No. 776318664858

September 24, 2019

Peter Stith, Principal Planner
City of Portsmouth
Planning Department
1 Junkins Ave, 3rd Floor
Portsmouth, NH 03801

Re: **105 Corporate Drive**
Pease Rehab LLC
Land Use Application #LU-19-214


Dear Mr. Stith:

Enclosed please find twelve copies of the Variance Narrative and Exhibits in connection with the above-captioned Variance Application.

Also enclosed is our firm's check for the filing fee of \$3,000.00.

Thank you for your assistance.

Very truly yours,



Caroline K. Leonard

CKL/mla

Enc.

cc: Client, via email, w/o enc.

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BY: 10:45

CITY OF PORTSMOUTH
ZONING BOARD OF ADJUSTMENT

RE: 105 Corporate Drive, Portsmouth, NH 03801
Tax Map 303, Lot 7
PEASE REHAB, LLC

APPLICANT'S NARRATIVE FOR VARIANCE REQUEST

Introduction

As required by Pease Development Authority's ("PDA's") Zoning Ordinance Part 317.03¹, Pease Rehab, LLC, d/b/a Northeast Rehabilitation Hospital ("Pease Rehab"), respectfully requests a variance from PDA Zoning Ordinance Part 304.04(e)'s rear setback requirements in connection with a proposed addition to Pease Rehab's existing facility located at 105 Corporate Drive, Portsmouth, New Hampshire. Attached please find concept plans for this proposed addition (**Exhibit A**).

Procedural History

On Thursday, August 22, 2019, the PDA Board of Directors voted 7-0 in favor of:

- A. Approving, following any required approvals, the concept plans for expansion at 105 Corporate Drive shown in **Exhibit A**; and
- B. Completing negotiations, finalizing, and executing the Pease Rehab/Wentworth-Douglass restrictive covenant (**Exhibit B**).

(**Exhibit C** – Motion by PDA Board and excerpt of PDA Minutes approving same).

Proposed Addition & Requested Variance Relief

Pease Rehab has an existing facility that is approximately 46,000 square feet over two floors. The proposed addition would add approximately 30,910 square feet over two floors. The

¹ Per Portsmouth Zoning Ordinance Article 5, Section 10.540, land acquired by the PDA from the federal government is not subject to the City of Portsmouth's zoning ordinances, but instead is subject to land use controls adopted by the PDA, consistent with the City's Master Plan.

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upper level would be used for 30 new patient beds and the lower level would house staff functions.

Pease Rehab is requesting relief from PDA Zoning Ordinance Part 304.04(e), which applies to the “Airport Business and Commercial Zone,” where Pease Rehab is located. Part 304.04(e) requires minimum rear setbacks to be fifty (50) feet. As shown in **Exhibit A**, ten feet is being provided.²

Pease Rehab considered a lease line adjustment with its lessee abutter, Wentworth-Douglass Hospital. This proved unworkable because Wentworth-Douglass maintains a stockpile of chlordane³ very near the current lot line that is subject to a Soils Management Plan prepared for Wentworth-Douglass, which has been approved by and is on file with the New Hampshire Department of Environmental Services and PDA. A lease line adjustment would require Pease Rehab to take over control and management of Wentworth-Douglass’ chlordane stockpile.

Pease Rehab also considered alternative building layouts that would satisfy the setback requirement. They were, however, not feasible because of the Hospital’s unique requirements, which seek to limit the distance between patients’ rooms and centralized staff.

To ameliorate the rear setback’s nonconformance, Pease Rehab has entered a restrictive covenant with its abutter, Wentworth-Douglass Hospital. **Exhibit B**. As part of this agreement, Wentworth-Douglass has agreed not to develop the chlordane stockpile area. Pease Rehab will achieve an equal or greater rear setback by honoring ten feet on its lot and by receiving a restrictive covenant from Wentworth-Douglass. The PDA voted unanimously to approve this arrangement.

² Note that Pease Rehab included a second variance request to PDA relating to loading berths. At this time, Pease Rehab is not requesting this second variance, and will instead pursue a good cause waiver from the Planning Board.

³ Chlordane is an insecticide applied to PDA land during the active military era.

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Pease Rehab's Variance Satisfies the Required Components

Part 317.01(c) of the PDA Zoning Ordinance states that:

“[a] variance shall not be approved or recommended for approval unless it is in harmony with the general purpose and intent of these regulations and meets the following criteria:

1. No adverse effect or diminution in values of surrounding properties would be suffered.
2. Granting the variance would be of benefit to the public interest.
3. Denial of the variance would result in unnecessary hardship to the person seeking it.
4. Granting the variance would be substantial justice.
5. The proposed use would not be contrary to the spirit of this zoning rule.

The proposed variance satisfies all five of these criteria:

1. Criteria 1 is satisfied because keeping the chlordane stockpile in place minimizes handling and environmental risk, and adding more beds to Pease Rehab would not have an adverse effect or diminish the values of the surrounding properties.
2. Criteria 2 is satisfied because it is in the public's interest to a) minimize environmental risk; and b) add more treatment capability to Pease Rehab.
3. Criteria 3 is satisfied because, as discussed above, denying the variance could require Wentworth-Douglass' chlordane stockpile to be possessed by Pease Rehab.
4. Criteria 4 is satisfied because all parties, including PDA, have agreed on how to handle this lease line to avoid disturbing the chlordane. Together, Wentworth-Douglass and Pease Rehab have entered a restrictive covenant, which can be enforced by PDA if/when necessary, to address this setback. Granting the variance would allow Wentworth-Douglass to leave its chlordane where it is currently located and allow Pease Rehab to preserve an undeveloped space between its proposed addition and its neighbor.
5. Criteria 5 is satisfied because the restrictive covenant and reduced setback achieve equal or greater compliance with the purpose of the zoning rule by keeping an undeveloped

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buffer area between improvements.

Conclusion

At this time, Pease Rehab respectfully requests that its variance request be added to the October 15, 2019 Portsmouth Zoning Board of Adjustment Meeting for the BOA's consideration. A representative from Pease Rehab will be present to present the application and answer any BOA questions.

Respectfully submitted,

Pease Rehab, LLC,

d/b/a Northeast Rehabilitation Hospital

By its attorneys,

Gallagher, Callahan & Gartrell, P.C.

Dated: September 23, 2019

By: /s/ Caroline K. Leonard, Esq.
Ari B. Pollack, Esq. (#12932)
Caroline K. Leonard, Esq. (#20796)
214 N. Main St.
Concord, NH 03301
(603) 228-1181

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INDEX OF EXHIBITS

- A. Concept Plans, Architectural renderings, and floor by floor plans (6 pages).
- B. Pease Rehab, LLC/Wentworth Douglass Restrictive Covenant (5 page).
- C. August 22, 2019 Motion by Pease Development Authority Board of Directors to approve Pease Rehab, LLC Concept Plans (approved, 7-0) and excerpt of PDA Minutes approving same (5 pages).
- D. Photo taken 8.22.19 showing existing condition of site. Proposed addition would be located in left side of frame (1 page).
- E. Authorization from Pease Rehab to submit variance (1 page).

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EXHIBIT A

Northeast Rehabilitation Hospital
 Neuro-Rehab Associates, Inc.
 105 Corporate Drive
 Portsmouth, New Hampshire

NO.	DATE	DESCRIPTION
1	09/20/2018	ISSUED FOR PERMITTING
2	09/20/2018	REVISIONS
3	09/20/2018	REVISIONS
4	09/20/2018	REVISIONS
5	09/20/2018	REVISIONS
6	09/20/2018	REVISIONS
7	09/20/2018	REVISIONS
8	09/20/2018	REVISIONS
9	09/20/2018	REVISIONS
10	09/20/2018	REVISIONS
11	09/20/2018	REVISIONS
12	09/20/2018	REVISIONS
13	09/20/2018	REVISIONS
14	09/20/2018	REVISIONS
15	09/20/2018	REVISIONS
16	09/20/2018	REVISIONS
17	09/20/2018	REVISIONS
18	09/20/2018	REVISIONS
19	09/20/2018	REVISIONS
20	09/20/2018	REVISIONS

CONCEPTUAL SITE PLAN
 SCALE: AS SHOWN
 1 OF 1

PARKING AND LOADING REQUIREMENTS:

REQUIREMENTS:
 SIDE AND REAR YARDS: 10 FT
 FRONT YARD: 10 FT
 MINIMUM PARKING STALL AREA: 100 SF (EX. ACCESS)
 MINIMUM TOTAL NUMBER OF PARKING SPACES: 88 SPACES
 11 SPACES PER BED x 1 BP x 66 BEDS

A.D.A. PARKING REQUIREMENTS:
 MINIMUM STALL WIDTH: 8 FT
 MINIMUM NO. OF ACCESSIBLE SPACES: 8 FT
 MINIMUM NO. OF ACCESSIBLE SPACES: 8 FT
 MINIMUM NO. OF ACCESSIBLE SPACES: 8 FT

LOADING BERTH REQUIREMENTS:
 MINIMUM NO. OF BERTHS: 4 BERTHS
 10,000 SF
 10,000 SF
 EACH ADDITIONAL 60,000 SF
 1 BERTH
 2 BERTHS
 MINIMUM SIZE OF FIRST REQUIRED BERTH: 12' x 45'
 MINIMUM SIZE OF ADDITIONAL BERTHS: 12' x 45'
 NUMBER OF LOADING BERTHS: N/A

SITE DATA:

ZONE: BUSINESS-COMMERCIAL ZONE
 HOSPITALS AND OUTPATIENT HEALTH CARE FACILITIES

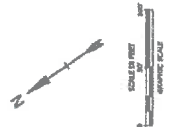
PERMITTED USES:

COMMERCIAL REQUIREMENTS:
 DECREASED: 37.30 ACRES
 444 FT
 418 FT
 416.0 FT

MINIMUM LOT FRONTAGE:
 75 FT
 35 FT
 65 FT

MINIMUM OPEN SPACE:
 25% (1.64 ACRES)
 25% OF THE UPLAND AREA ON EACH LOT SHALL BE RETAINED AS OPEN SPACE (1.29 A. USES = 1.64 ACRES)

DECREASED: 485.1% (44.08 ACRES)



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View looking east from Corporate Drive

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Northeast Rehabilitation Hospital Proposed Addition
105 Corporate Dr, Portsmouth, NH





View looking south from drive to WDH facilities

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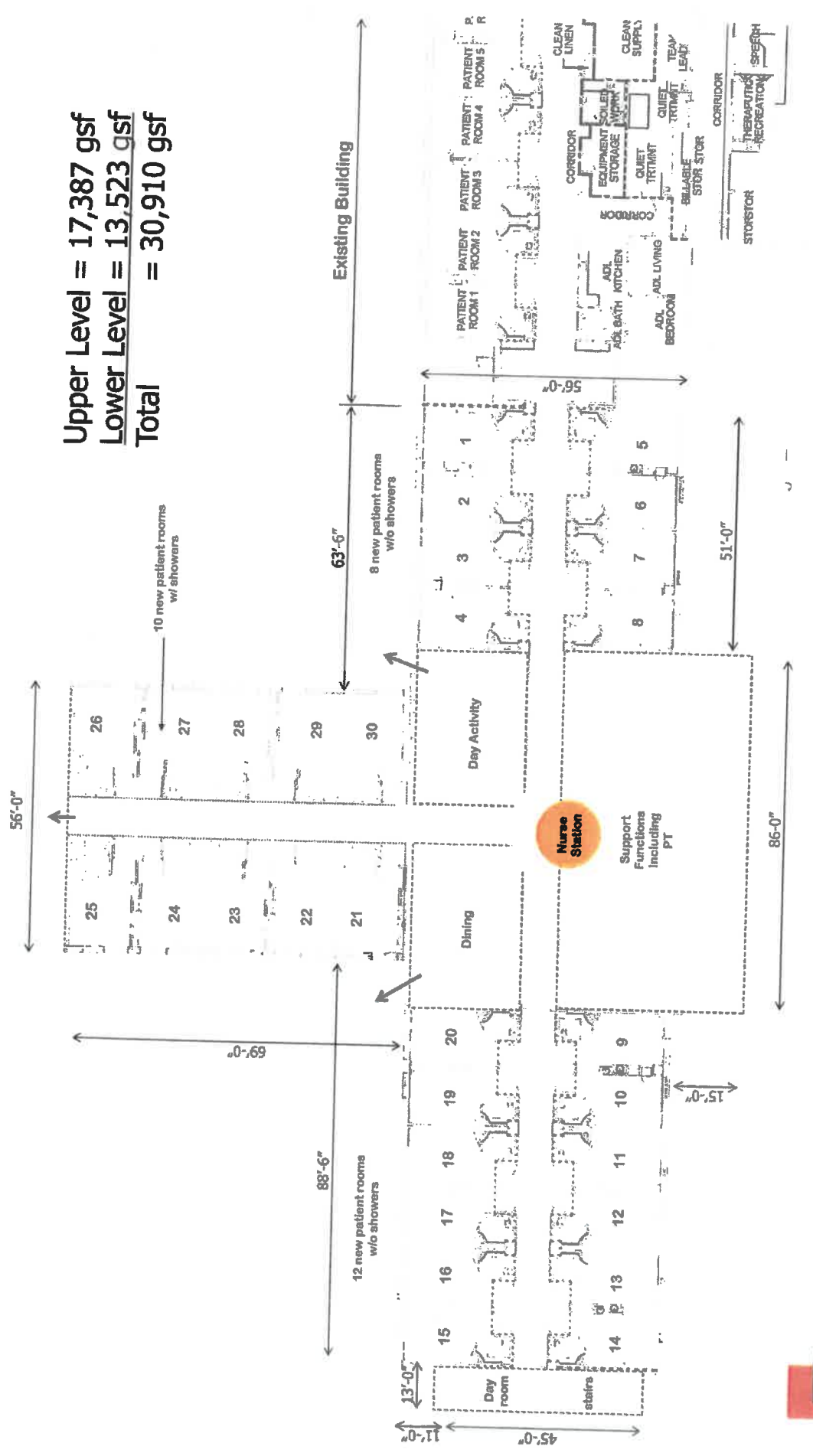
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Northeast Rehabilitation Hospital Proposed Addition

105 Corporate Dr, Portsmouth, NH





Upper Level = 17,387 gsf
 Lower Level = 13,523 gsf
 Total = 30,910 gsf



Upper Level 30 Bed Concept Diagram

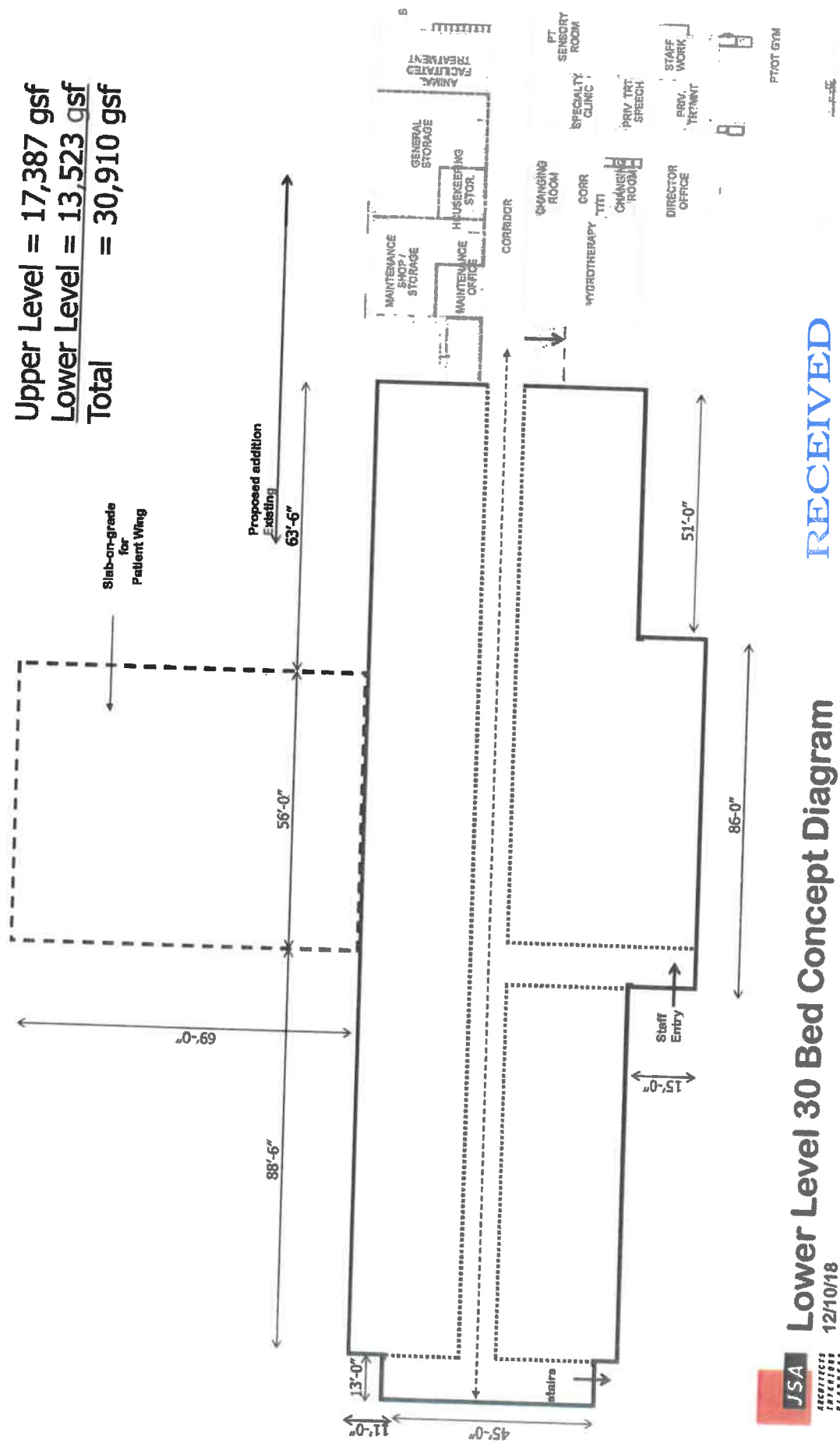
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Upper Level = 17,387 gsf
 Lower Level = 13,523 gsf
 Total = 30,910 gsf



Lower Level 30 Bed Concept Diagram
 12/10/18



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Proposed 30 Bed Expansion at NRH Pease

Area or Room Element	Proposed			Comments
	Qty.	Unit Size	Total Area (NSF)	
1 Upper Floor				
Private Patient Rooms w/ toilet room	16	300	4800	
Private Bariatric Patient Rooms with lifts	2	325	650	standard toilets requested
Private Patient Rooms w/ toilet room & shower	12	325	3900	
Staff Station	1	150	150	
Charting Area	1	215	215	
Staff Lounge / Meeting Space	1	220	220	
Staff Toilet	2	50	100	
Meds Room	1	140	140	
Nourishment / Kitchen	2	125	250	
Patient Bathing	3	120	360	
Clean Utility	1	140	140	
Clean Linen Storage	1	80	80	
Soiled Utility	1	80	80	flush rim sink, negative pressure
Dining/Recreation/Day Space	1	1650	1650	min. of 55 sf per bed (FGI 2.6-2.3.1.1)
PT/OT Gym	1	1200	1200	
Quiet/Private Treatment Room	1	120	120	
Speech Therapy Rooms	2	80	160	
PT Patient Restroom	1	60	60	
PT Storage	1	100	100	
Therapy Offices	2	120	240	one for PT, one for OT. Both shared by 2 therapists.
Physician Charting	2	80	160	
Nursing Office	1	80	80	
Case Manager Office	1	120	120	shared by two people
Housekeeping	2	60	120	mop sink
Equipment & Linen Alcoves	6	20	120	
Elevator	1	120	120	
Subtotal - Net Square Feet:			15,335	
Net - To - Gross Conversion Factor:			1.6	
Subtotal - Upper Level Gross Square Feet:			24,536	
2 Lower Floor				
Staff Entry with Vestibule	1	100	100	
Staff Locker Room	1	300	300	half locker for each staff, coat storage space
Staff Restrooms	2	140	280	w/showers (TBD)
Swing Office	1	90	90	
Medical Records	1	400	400	Place holder until we assess criteria
Med Gas Room	1	100	100	Place holder until existing capacity is assessed
Mechanical Room	1	2000	2000	Place holder
Housekeeping	1	60	60	mop sink
Laundry	1	1200	1200	assumes existing laundry is lost for food service
IT Room	1	120	120	Place holder until we assess criteria
Storage	1	2000	2000	Place holder
Elevator & Elevator Equipment Room	1	240	240	
Subtotal - Net Square Feet:			6,890	
Net - To - Gross Conversion Factor:			1.5	
Subtotal - Lower Level Gross Square Feet:			10,335	
GRAND TOTALS				
Subtotal - Net Square Feet:			22,225	
Total - Gross Square Feet:			34,871	

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When recorded return to:
Ari B. Pollack, Esq.
Gallagher, Callahan & Gartrell, P.C.
214 N. Main Street
Concord, NH 03301



DECLARATION OF RESTRICTIVE COVENANT

THIS DECLARATION OF RESTRICTIVE COVENANT (“Declaration”) is made as of August 7, 2019 by **WENTWORTH-DOUGLASS HOSPITAL**, a New Hampshire nonprofit corporation, having an address of 789 Central Avenue, Dover, New Hampshire 03820 (“**Declarant**”).

RECITALS:

A. Declarant leases approximately 21.259 acres of land, identified as 73 Corporate Drive, Portsmouth, New Hampshire, and as Map 303, Lot 5, within the Pease Development Authority (“PDA”), being more particularly described in **Exhibit A** attached hereto and made a part hereof (“**Declarant Property**”).

B. Pease Rehab, LLC (“PR”), a New Hampshire Limited Liability Company, having an address of 105 Corporate Drive, Portsmouth, New Hampshire 03801, leases approximately 7.364 acres of land, identified as 105 Corporate Drive, Portsmouth, New Hampshire, and as Map 303, Lot 7, within the PDA, being more particularly described in **Exhibit B** attached hereto and made a part hereof (“**PR Property**”).

C. PDA, a State-chartered New Hampshire authority, having an address of 55 International Drive, Portsmouth, New Hampshire 03801, by virtue of certain lease agreements, is the lessor of the Declarant Property and the PR Property to the Declarant and PR, respectively.

D. PR has requested that Declarant subject a portion of the Declarant Property described in Exhibit C as the “Current Chlordane Stockpile Location” to certain development restrictions that may be enforced, subject to the terms and conditions set forth in this Declaration (“the Restricted Area”).

NOW, THEREFORE, Declarant for itself and on behalf of its successors and assigns, does hereby declare and agree that the Restricted Area of the Declarant Property shall hereinafter remain unimproved and shall remain a chlordane stockpile location pursuant to a certain Soil Management Plan, dated April 17, 2018, prepared for Declarant by Vanasse Hangen Brustlin, Inc., and approved by and on file with the New Hampshire Department of Environmental Services and PDA. This Declaration shall run with the Declarant Property and be binding upon Declarant and its successors and assigns for the term of Declarant’s leasehold rights as they may subsequently be extended.

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BY: _____

1. RESTRICTIVE COVENANT. Commencing upon the date of this Declaration, and continuing through the term of its leasehold interest in the Declarant Property, Declarant, for valuable consideration, for itself and on behalf of its successors and assigns, agrees as follows:

a) No portion of the Restricted Area of the Declarant Property shall be improved with buildings or structures, principal or accessory, such that the Restricted Area would no longer serve as an effective "rear yard" "setback", as the same terms are currently defined in Sections 302.39 and 302.43 of the Pease Development Authority Zoning Requirements, from improvements upon the adjacent portions of the PR Property.

b) The restriction in (a) above shall not prohibit Declarant from exercising its rights, obligations and "future activities" under Section 3.5 of the Soil Management Plan.

2. REAL COVENANTS. Declarant for itself and on behalf of its successors and assigns, understands and agrees that the restrictions, covenants, obligations and agreements contained in this Declaration shall be real covenants running with the land and shall, in perpetuity, be binding upon and inure to the benefit of PR and PDA, their respective successors and assigns.

3. CONSIDERATION. As consideration for this Restrictive Covenant, PR shall pay to Declarant an amount equal to a portion of the annual rent payment paid by Declarant to PDA based upon the annual per acre rental charge paid by Declarant and the square footage of the restricted area. Declarant and PR acknowledge that the annual rent payment is adjusted and increased on August 1 of each year. The payment shall be made in arrears in an annual payment and shall be paid within thirty (30) days of receipt of an invoice from Declarant. There shall be no payment for the period prior to August 1, 2019. The first payment shall be for the year August 1, 2019 to September 30, 2020.

4. REMEDIES AND ENFORCEMENT. Declarant, for itself and on behalf of its successors and assigns, understands, acknowledges and agrees that PR and PDA are the benefited parties to this Declaration, and Declarant agrees that said parties shall have all rights at law or in equity in connection with the enforcement of the restrictions, covenants, obligations and agreements contained herein.

5. MISCELLANEOUS.

(a) Headings, Captions and Table of Contents. The descriptive headings and captions used in this Declaration are for the purposes of convenience only and do not constitute a part of this Declaration.

(b) Authority. The individuals executing this Declaration hereby represent binding authority to execute this instrument.

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(c) Governing Law. This Declaration and its performance shall be governed by and construed in accordance with the laws of the State of New Hampshire, excluding New Hampshire's rules regarding conflict of laws and any rule requiring construction against the party drafting this Declaration.

(d) Amendments. This Declaration may not be amended except by an instrument in writing signed by the Declarant, PR and PDA.

[Remainder of this page intentionally blank.]

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BY: _____

EXECUTED as of the day and year first above written.

Witness: Ronald McManis

DECLARANT:

WENTWORTH-DOUGLASS HOSPITAL

By: [Signature]
Name: Gregory J Walker
Title: President / CEO

Witness: [Signature]

BENEFICIARY:

PEASE REHAB, LLC

By: [Signature]
Name: Howard M. Easton, M.D.
Title: President, Mammoth Valley
Subab of W. H., Inc., Manager

BENEFICIARY:

PEASE DEVELOPMENT AUTHORITY

Witness: _____

By: _____
Name:
Title:

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STATE OF NEW HAMPSHIRE
COUNTY OF STRAFFORD

On this the 7 day of August, 2019, before me the undersigned officer, personally appeared Gregory J Walker, being the President/CEO of Wentworth-Douglass Hospital, a New Hampshire non-profit corporation, signer and sealer of the foregoing instrument, and that he/she as such President/CEO, being authorized so to do, acknowledged the execution of the same to be his/her free act and deed and the free act and deed of said entity.

IN WITNESS WHEREOF, I hereunto set my hand.

Irene E. McCain
Justice of the Peace/Notary Public

Massachusetts
STATE OF NEW HAMPSHIRE
COUNTY OF Essex

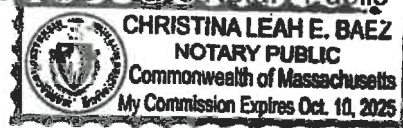
IRENE E. MCCAIN, Notary Public
My Commission Expires November 18, 2020

On this the 19th day of August, 2019, before me the undersigned officer, personally appeared Harold M. Endrey, M.D., being the President of the Manager of Pease Rehab, LLC, a New Hampshire Limited Liability Company, signer and sealer of the foregoing instrument, and that he/she as such President of the Manager, being authorized so to do, acknowledged the execution of the same to be his/her free act and deed and the free act and deed of said entity.

IN WITNESS WHEREOF, I hereunto set my hand.

Christina Leah E. Baez
Justice of the Peace/Notary Public

STATE OF NEW HAMPSHIRE
COUNTY OF _____



On this the ___ day of _____, 2019, before me the undersigned officer, personally appeared _____, being the _____ of Pease Development Authority, a New Hampshire chartered authority, signer and sealer of the foregoing instrument, and that he/she as such _____, being authorized so to do, acknowledged the execution of the same to be his/her free act and deed and the free act and deed of said entity.

IN WITNESS WHEREOF, I hereunto set my hand.

Justice of the Peace/Notary Public

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EXHIBIT C

55 Corporate Drive Portsmouth, NH 03801

MOTION

Director Loughlin:

The Pease Development Authority Board of Directors hereby authorizes the Executive Director to complete negotiations, finalize, and execute the Pease Rehab/Wentworth Douglass restrictive covenant; and to approve, following any required approvals, the concept plan for 105 Corporate Drive as submitted by Pease Rehab, LLC, including the requests for deviations from the rear setback and loading berth requirements as shown on plans attached hereto and incorporated herein; all in accordance with the memorandum of Maria Stowell, P.E., Engineering Manager, dated August 13, 2019 attached hereto.

SEWSD: TORR

VOTE: 7-0

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PEASE DEVELOPMENT AUTHORITY
BOARD OF DIRECTORS MEETING
MINUTES

Thursday, August 22, 2019

Presiding: Kevin H. Smith, Chairman
Present: Peter J. Loughlin, Vice Chairman; Robert A. Allard, Treasurer; John P. Bohenko; Neil Levesque and Franklin G. Torr
Telephonically: Margaret F. Lamson from 10:33 a.m. to 11:41 a.m. (during this time all votes were roll call votes)
Attending: David R. Mullen, Pease Development Authority ("PDA") Executive Director; Paul E. Brean, PDA Deputy Director and Airport Director; Lynn M. Hinchee, General Counsel; PDA staff members; members of the public.

I. Call to Order:

Chairman Smith called the meeting to order at 10:34 a.m. in the Board conference room on the Pease International Tradeport at 55 International Drive, Portsmouth, New Hampshire.

II. Acceptance of Meeting Minutes: June 20, 2019

Director Loughlin moved and Director Allard seconded that the Pease Development Authority Board of Directors hereby accepts the minutes of the June 20, 2019 Board meeting.

Discussion: None. Disposition: Resolved by roll call (7 - 0) vote for; motion carried.

III. Public Comment:

There was no public comment.

IV. Committee Meetings:

A. Reports:

1. Residential Housing Committee Agenda

Chairman Smith asked General Counsel Lynn Marie Hinchee (Hinchee) if she had anything further she would like to add regarding this recent meeting; Hinchee indicated nothing to add. Chairman Smith indicated that the next meeting is scheduled for September 18, 2019 (the actual date of the meeting is September 19, 2019).

Director Allard moved and Director Loughlin seconded a motion to suspend the rules and move discussion regarding Northeast Rehabilitation up in the agenda for immediate discussion.

Discussion: None. Disposition: Resolved by roll call vote (7 - 0) for; motion carried.

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Northeast Rehab (NR) was represented by Atty. Ari Pollack (Pollack), Pollack introduced John Prochilo, CEO; Lester Schindel, CFO; Charlie Champagne, Operations Manager; the Planning and Development team for the project consisting of Bradlee Mezquita of Tighe & Bond doing the civil engineering; Todd Hanson and Mark Moeller of JSA doing the architectural work. Pollack also indicated that Todd Sigmon, an executive at Wentworth Douglass Hospital (WD) neighbor to rear of site, attended to show support for the proposal as the abutting tenant, but had to leave due to another commitment. The facility is located at 105 Corporate Drive and NR is looking to double its efforts. The planning experts indicate the need of two variances from the PDA Zoning Ordinance for the expansion plan. Pollack provided each Board member with a signed copy of the requested variances (Board materials contained unsigned version) as well as a plan showing the existing footprint of the facility in the pink and the proposed two story expansion in the orange. Pollack indicated that NR will be presenting a Restrictive Covenant relating to the WD land to the rear. Pollack described the orange expansion area as traversing linearly across the frontage and a leg that goes toward the rear and setback. NR asked to deviate from the applicable 50' rear setback and observe a 10' setback from the lease line boundary. NR did consider a lease line adjustment with WD, who was amenable with an adjustment. However, WD's chlordane (old insecticide / pesticide applied in areas around the Tradeport during the Air Force era) pile needs to be managed onsite; WD's pile is located to the rear of NR (the area that would have been the lease line adjustment). After considering alternatives, NR decided the best approach would be to leave the management of the pile with WD and deal with this issue with both a request for a deviation from a 50' to 10' set back as well as obtain a covenant from WD not to disturb the pile in their front yard and/or develop the area. Essentially this would provide the full 50' set back by virtual of the 10' being observed by NR and the Restrictive Covenant WD is placing on its own lot. The forms / documents have been reviewed by PDA staff. NR has asked for relief from the hardship of the pile (NR does not want to take on the liability for the pile) and for the Board to recommend to the City of Portsmouth (COP) a variance from the 50' setback to a 10' setback on the condition that the Covenant be finalized and recorded.

Second, the expansion places NR under the requirement that a second loading berth would be necessary. However, NR has one loading berth and one works for them, NR doesn't want two loading berths. Rather than creating the hardship of building and operating something that is not needed, NR is asking for the relief to have only one loading berth. NR still has a long process ahead with the COP and lenders, and asked for Board recommendation regarding the concept plan showing the expansion and the two variances from the Pease Zoning ordinances. Pollack indicated the individuals he has with him at the presentation can answer any questions the Board may have.

Chairman Smith (Smith) asks if any of the Board members has any questions. Director Peter Loughlin (Loughlin) had a question concerning parking where requirement is 66 and NR has provided 147, Loughlin asked if it is NR's experience that this use generates a higher parking ratio than normally required by PDA. Pollack indicated in the early stages of construction of the existing facility it was thought to take advantage of the space so that parking wouldn't be an issue. There is a stormwater plan that can handle the impervious coverage. As approaching the

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expansion it is recognized that NR is over parking requirements and with the expansion they remain in compliance so not going to add any additional impervious if it can be avoided.

Smith asks where NR will be placing its (soil) pile and Pollack responded that NR will add to its existing pile at the corner of Corporate Drive and the road going to the facilities behind NR. If it reaches a height that the pile creates a hazard for traffic then a second new pile will be created but NR does not want three piles.

Director Peggy Lamson (Lamson) indicated she had been over to NR recently and complimented the site work and what NR is doing with the vegetation as it is bringing more color to Corporate Drive.

Director Loughlin moved and Director Torr seconded that the Pease Development Authority Board of Directors hereby authorizes the Executive Director to complete negotiations, finalize, and execute the Pease Rehab/Wentworth Douglass restrictive covenant; and to approve, following any required approvals, the concept plan for 105 Corporate Drive as submitted by Pease Rehab, LLC, including the requests for deviations from the rear setback and loading berth requirements as shown on plans attached hereto and incorporated herein; all in accordance with the memorandum of Maria J. Stowell, P.E., Engineering Manager, dated August 13, 2019.

Discussion: None. Disposition: Resolved by roll call vote (7 - 0) for; motion carried.

- V. **Old Business:**
 A. **Approvals:**
 1. **Farley White**

Chairman Smith recognizes Director Loughlin to make a motion to move into non-public.

Director Loughlin moved and Director Allard seconded that the Pease Development Authority Board of Directors enter non-public session pursuant to NH RSA 91-A:3 (2)(d) for the purpose of discussing the acquisition, sale or lease of property.

Discussion: None. Disposition: Resolved by roll call vote (7 - 0) for; motion carried.

The meeting moved into non-public, the room was cleared, the video streaming turned off, but the voice recorder remained on.

Smith asked the three individuals to introduce themselves; Attorney John Dougherty (Dougherty) of Nutter McClennen & Fish LLP, counsel for the Farley White interests; John Power (Power) and Elizabeth Rucci from Farley White (FW).

Dougherty indicated that FW currently has a 127,000 sq. ft. Class A office building at 100 Arboretum and has been in negotiations with PDA to obtain a lease line revision to expand the premises which would enable a new 73,000 sq. ft. building (likely a multi-tenant office building). With respect to 100 Arboretum there is an existing operating lease that everyone is operating under which has about 40 to 45 years left in an unexpired term; the business

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XVI. Directors' Comments:

Director Levesque thanked Hinchee for coming back early from her vacation to attend the rescheduled Board meeting.

Chairman Smith appreciated all of the hard work and efforts by the PDA Board in moving the meeting from the August 15th to August 22nd and the Board and PDA staffs' efforts during the non-public meeting and the months of negotiations that led up to the non-public.

XVII. Adjournment:

Director Torr moved and Director Allard seconded to **adjourn the Board meeting.**

Discussion: None. Disposition: Resolved by unanimous roll call vote for; motion carried. Meeting adjourned at 12:34 p.m.

XVIII. Press Questions:

There were no questions from the press who attended the meeting.

Respectfully submitted,



David R. Mullen
Executive Director

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SEP 25 2019

BY: _____

EXHIBIT D



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SEP 25 2019

BY: _____

**AUTHORIZATION FOR GALLAGHER, CALLAHAN & GARTRELL, P.C.
TO FILE VARIANCE REQUEST WITH THE CITY OF PORTSMOUTH**

The undersigned hereby acknowledges and agrees that:

A. By signing below, I am authorizing Gallagher, Callahan & Gartrell, P.C. to apply for a variance with the City of Portsmouth.

PEASE REHAB, LLC

d/b/a Northeast Rehabilitation Hospital



Dated: September 23, 2019

Name: John Prochilo
Title: CEO

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SEP 25 2019

BY: _____