



6 February 2023

Rick Chellman, Planning Board Chairman
City of Portsmouth
1 Junkins Avenue
Portsmouth, NH 03801

**RE: Extension of Site Plan and CUP Approvals, Tax Map 125, Lot 3, 238 Deer Street
(LU - 20 – 238)**

Dear Mr. Chellman and Planning Board Members:

On behalf of 238 Deer Street, LLC we hereby submit the attached request for inclusion on the Agenda for the **February 16th Planning Board** meeting. The project consists of the re-development of the existing site to a Mixed-Use Building that will contain Retail on the first floor and 21 Micro-Housing units on the second, third, and penthouse floors. Extension of Site Plan Approval and linking the CUP Approval to run concurrently with the Site Plan approval is hereby requested. This proposal is a step to meet the urgent need for housing in the downtown with affordable market rate housing, as the proposed housing units are micro units and not luxury housing. We look to the Planning Board to assist at this time and grant the requested relief.

Extension Request

Site Approvals were granted as follows:

- 1) On February 18, 2021, a Conditional Use Permit was granted by the Planning Board to allow no on-site parking where 12 parking spaces are required. The conditional use permit was granted an extension for a period of one year on February 17, 2022 and is due to expire on February 17, 2023.
- 2) On September 28, 2021, variances for requests for various forms of dimensional relief were granted by the Zoning Board of Adjustment. The variances will remain valid for two years from the date granted.
- 3) On November 3, 2021, the Historic District Commission approved the demolition of the building and the construction of the proposed micro unit apartment building. The approval was extended on November 2, 2022 and is due to expire on November 2, 2023.
- 4) On March 17, 2022, the Planning Board granted site plan approval for the project; this approval is due to expire on March 17, 2023 unless a building permit is issued or an extension is granted by the Planning Board. Our request is that you grant a one year extension of this approval; and include the Conditional Use Permit Approval Condition running with and as a part of the Site Plan approval. As stated below the Parking Conditional Use Permit (CUP) was a critical “threshold issue” which needed to be obtained before the

Site Plan approval process could be completed. Due to the passage of time between the CUP and Site Plan approvals the timing of the completion of the tasks required to obtain a building permit are impacted; as stated below. Satisfying the Parking CUP condition prior to the completion of the Site Plan approval process is difficult.

Therefore, and at this time, we request that the Planning Board grant an extension to the March 17, 2022, Site Plan approval. Simultaneously, we request that the Planning Board modify the condition in the Conditional Use Permit that the applicant produce a lease or an option for seven off-street parking spots for use by the tenant of the proposed building such that satisfying the condition can coincide with the extended term of the site approval, as a part of the Site Plan approval.

The basis for request for extension stems from the lengthy time frame which was required to obtain the approvals by the various land use boards and by the fact that that are practical timing and sequencing issues associated with meeting the various conditions of approval. More specifically, this project required various forms of relief from all land use boards for a project which requires demolition and then construction within the Historic District. The initial relief received, namely, the Conditional Use Permit, was a threshold issue because moving forward with the building design would not be possible without first addressing the threshold issue of parking. Once that relief was obtained, then the design and approval process proceeded as quickly as possible first through the HDC process and then to the ZBA to obtain various forms of relief. As a result, it was not until a year later that the Planning Board was in a position in which to grant Site Plan approval and since that time the applicant has worked diligently with abutters and the City to secure and/or provide necessary easements. To date, we have secured some, but not all, of the easements required from private parties. The access easement to the City is now fully executed and we are waiting for the mortgage holders to issue subordination agreements.

The one issue which has proved to take the most time to complete is the CUP Condition regarding the lease or option for seven parking spaces. Subsequent to receiving the February 2021 Conditional Use Permit, the applicant has contacted several parties, including Ricci Lumber, Granite State Minerals, Kim Rogers (DSA) and Tom Balon, among others, in the immediate vicinity or within an easily walkable distance to determine whether an option or lease would be possible. The applicant was told by several parties that they might be interested in such an arrangement but that they would not commit due to the uncertainty of knowing when the lease could be executed and the option would be triggered. We are confident that once the site review approval becomes final and the anticipated start date for construction is known, that we will be able to secure a lease or option to lease parking spaces with such option being triggered upon the issuance of a certificate of occupancy.

238 Deer Street, LLC is committed to providing much needed micro housing units to the Portsmouth downtown. In addition to lively first floor commercial space this proposed new building will add 21 additional housing units, all under 500 square feet in size. Thank you for your attention to this matter. We look forward to presenting this proposal in person at the Board's February meeting.

Sincerely,

John R. Chagnon

John R. Chagnon, PE
238 Deer Street Team