

THOMAS W. HILDRETH
Direct Dial: 603.628.1177
Email: thomas.hildreth@mclane.com
Admitted in NH, MA and ME
900 Elm Street, P.O. Box 326
Manchester, NH 03105-0326
T 603.625.6464
F 603.625.5650

May 27, 2022

City of Portsmouth
Zoning Board of Adjustment
1 Junkins Avenue
Portsmouth, NH 03801

Via UPS Overnight Delivery

Applicant/

WSS Lafayette Properties, LLC

Owners:

Noerdlinger Real Estate, LLC

GDC Lafayette Properties, LLC

Sastry Holding, LLC

Clark Point Real Estate, LLC, and

LCE Holdings, LLC

Property:

1900 Lafayette Road, Tax Map 267, Lot 8 (the "Property")

Zone:

Office Research ("OR")

Request:

Special Exception for Ambulatory Surgical Center

Dear Ladies and Gentlemen:

PURPOSE

The purpose of this letter is to provide an overview of the above-referenced request and an inventory of the materials submitted in support. The letter and supporting materials were uploaded along with the related on-line application on Friday, May 27, 2022. A hard copy will be delivered by UPS overnight delivery to arrive at your office on Wednesday, June 1, before the 4:30 P.M. deadline in order for the matter to be included on the Board of Adjustment's agenda for its meeting on June 22.

In addition to this letter and the online application, please find herewith the following:

- 1. Letter of Authorization
- 2. Site Development Plans signed by the City of Portsmouth Planning Board on November 5, 2015, and recorded in the Rockingham County Registry of Deeds ("RCRD") as Plan #D-39176, with the following pages:
 - a. C-2A, Site Plan Phase 1
 - b. C-2B, Site Plan Phase 2
 - c. C-3A, Layout & Materials Plan, Phase 1
 - d. C-3B, Layout & Materials Plan, Phase 2
 - e. C-8A, Landscape Plan Phase 1
 - f. C-8B, Landscape Plan Phase 2

City of Portsmouth May 27, 2022 Page 2

- 3. Amended Site Plans signed by the City of Portsmouth Planning Board on March 3, 2020, and recorded in the RCRD as Plan #D-42046, with the following pages:
 - a. C-06-A
 - b. C-06-B
- 4. Documents locating and depicting the Property from City GIS maps:
 - a. Excerpt from GIS mapping system, highlighting Zoning for the property
 - b. Excerpt from GIS mapping system, highlighting the Property
- 5. We will promptly pay the filing and notification fees upon advice of same.

The application seeks a special exception to operate an ambulatory surgical center on the Property in the OR zone, in accordance with Section 6.40 from the Table of Uses in the City's zoning ordinance.

PROPERTY

The Property is shown on the City of Portsmouth Tax Maps as Map 267, Lot 8, and contains approximately 3.98 acres, according to the tax card. The Property lies on the westerly side of Lafayette Road between Hoover Drive and McKinley Road in the Office Research (OR) Zone. As the GIS map shows, the parcel has two existing structures, one located near the front of the parcel and the other toward the rear. The front structure was constructed in 2015, and contains approximately 21,296 SF in two-stories. The rear building was completed last year and encompasses a little more than 11,000 SF in a single story.

HISTORY

According to the site plans, in 2015 the Property was a vacant lot. At that time, the owners secured site plan approval for a two phase development. Phase 1 consisted of the 2 story, 21,000 SF front building, with an intended use as medical and professional offices. At the time of the 2015 site plan, Phase 2 was proposed to be a second 2 story office building with two floors each containing 10,000 SF.

In 2019, the site plan was amended to reduce the size of the second building to 11,175 SF on a single floor. The amended site plan labels the proposed use of the second building as "ambulatory surgical center" ("ASC"). Following approval of the amended site plan in March of 2020, the owners obtained a building permit, completed construction of the building, received a certificate of occupancy, and Atlantic Orthopedics has been performing same-day surgeries there regularly for months.

None of the participants in the 2019 process – the owner, the planning department staff, the planning board, code enforcement officers, no one – questioned the proposed use of the building as an ASC. Now, however, the owners of the Property have entered into a contract to sell, and the buyer has flagged the use issue after completing its due diligence. The basis of the buyer's concern is the fact that "ambulatory surgical center" is called out as a separate use in the Table of Uses. According to the Table, the ASC use is permitted in no zone by right, but it is permitted in four zones with a special exception, including the OR zone where this Property is located.

RESERVATION OF RIGHTS

While this present application seeks a special exception to use the Property for an ASC, it also reserves the owners' right to contest the requirement and assert that no special exception is, in fact required. There are at least two theories which would support that position.

The first theory is that of municipal estoppel, stemming from the City's approval of the site plan, building permit, and occupancy permit. In 2019, the owners presented a plan which clearly labeled the proposed use of the building as an ambulatory surgical center. All of the municipal stakeholders who approved the plan, the building, and the occupancy did so with full knowledge of the intended use. The owners, in reasonable reliance on the municipal actions to approved the project, spent considerable sums on site work, construction, outfitting and operation of the building, and the City should now be estopped from taking any position adverse to the ASC use.

The second theory comes from the zoning ordinance itself. The ordinance permits medical offices and outpatient clinics in the OR zone by right. The ordinance permits inpatient clinics and ASCs in the OR zone with a special exception. The ordinance defines inpatient and outpatient clinics as follows:

Clinic

A facility providing care and treatment for sick or injured human patients, not including a medical office, hospital or substance abuse treatment facility.

Outpatient clinic

A **elinic** providing care and treatment on an outpatient basis, including ambulatory care or similar medical services that generally require a stay of less than 24 hours, that does not include overnight care facilities.

Inpatient clinic

A clinic that may include overnight care facilities.

There is no definition in the ordinance for ambulatory surgical center. And there is a decent argument that the defined term "outpatient clinic" already embraces the same uses of an "ambulatory surgical center." It is hard to know how a definition of ambulatory surgical center would differ from that of an outpatient clinic.

Under the principles set forth in *Stephen Bartlett, et al. v. City of Manchester*, 164 N.H. 634 (2013), the board of adjustment could decide that no special exception is required for use of the Property as an ambulatory surgical center because the use is subsumed by the ordinance's defined term "outpatient clinic" which is a use permitted by right in the OR district.

SPECIAL EXCEPTION

If the board is not so inclined, it should nevertheless have no difficulty finding that the use of the Property as an ambulatory surgical center easily satisfies the criteria for a special exception set forth in Section 10.230 of the zoning ordinance, as follows:

§10.232.10 Use of the property as an ASC is in harmony with the general purpose and intent of the ordinance, and meets the specified standards.

§10.232.21	ASCs are permitted by special exception in the OR zone.
§10.232.22	No hazard to the public or adjacent property exists on account of potential fire, explosion, or release of toxic materials.
§10.232.23	There is no detriment to property values in the vicinity or any change in the essential character of the area.
§10.232.24	No traffic safety hazard is created by operation of the ASC.
§10.232.25	The ASC imposes no excessive demand on municipal services.
§10.232.26	Use of the property as an ASC has caused no significant increase in storm water runoff.

All of the foregoing statements are not merely prospective conjecture. The Property has been operating as an ambulatory surgical center for several months now and has proven by its operation to satisfy all of these standards.

CONCLUSION

Based on the foregoing, we respectfully request that the board either decide that ambulatory surgical center is a permitted use already embraced by the defined term "outpatient clinic"; or, alternatively, that the use of the Property as an ambulatory surgical center satisfies the relevant standards for a special exception and grant an affirmative special exception here.

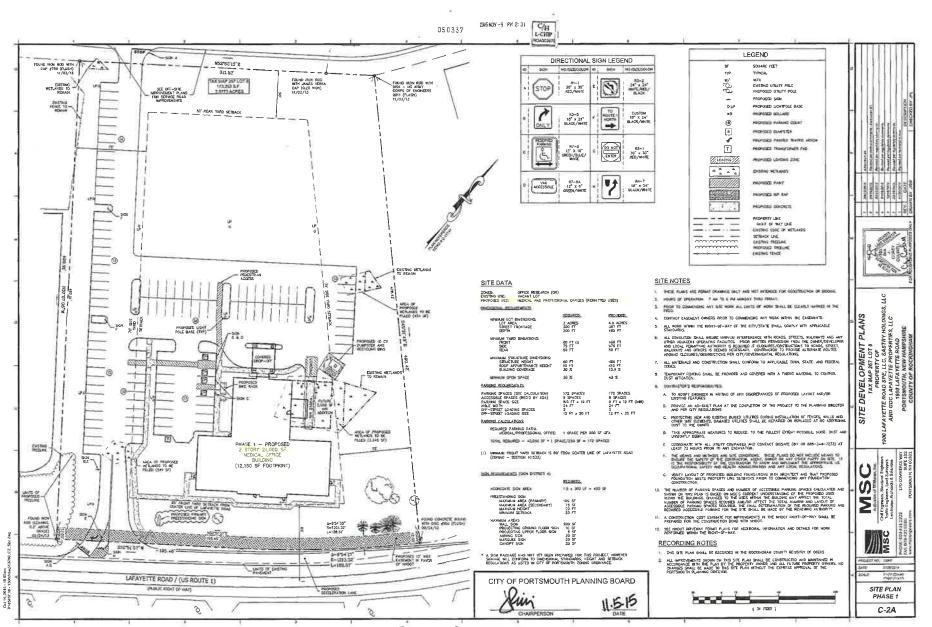
If you have any questions about this submission or require additional information in advance of hearing, please be in touch. Otherwise, thank you for your attention to and assistance with the processing of this application. We will look forward to speaking with you further about it at your meeting in June.

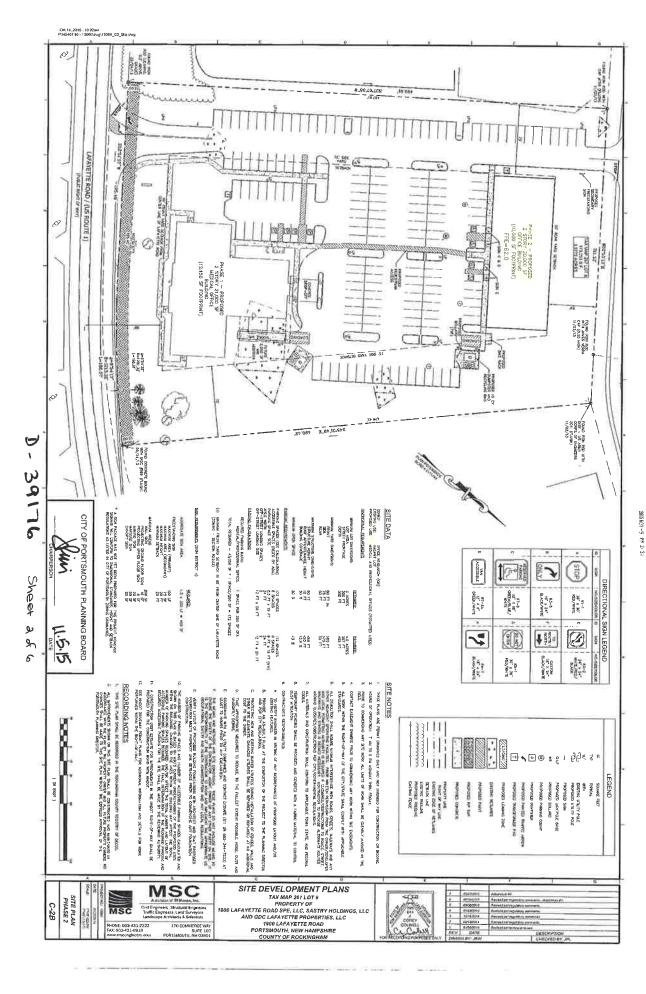
Sinderely yours

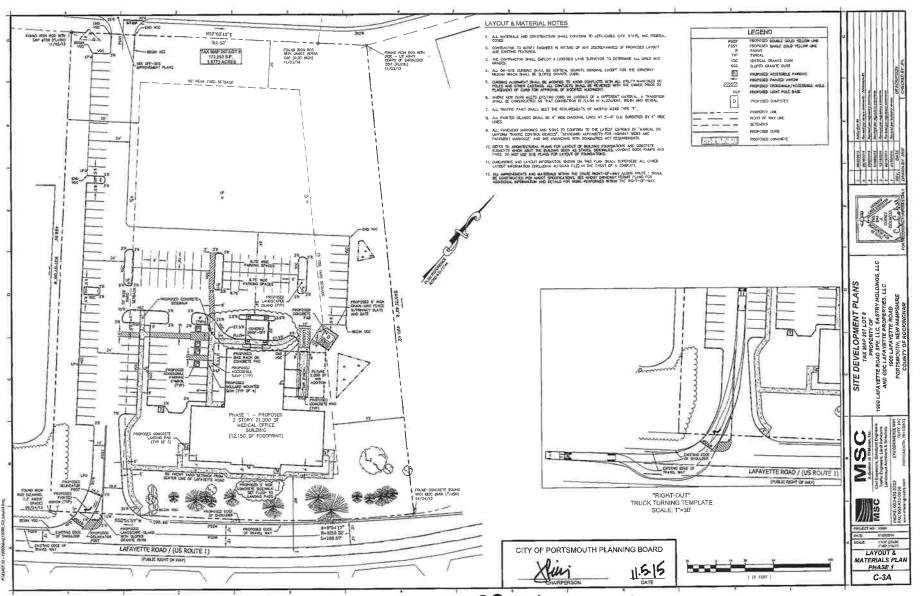
Thornas W. Hildreth

TWH: Enclosures

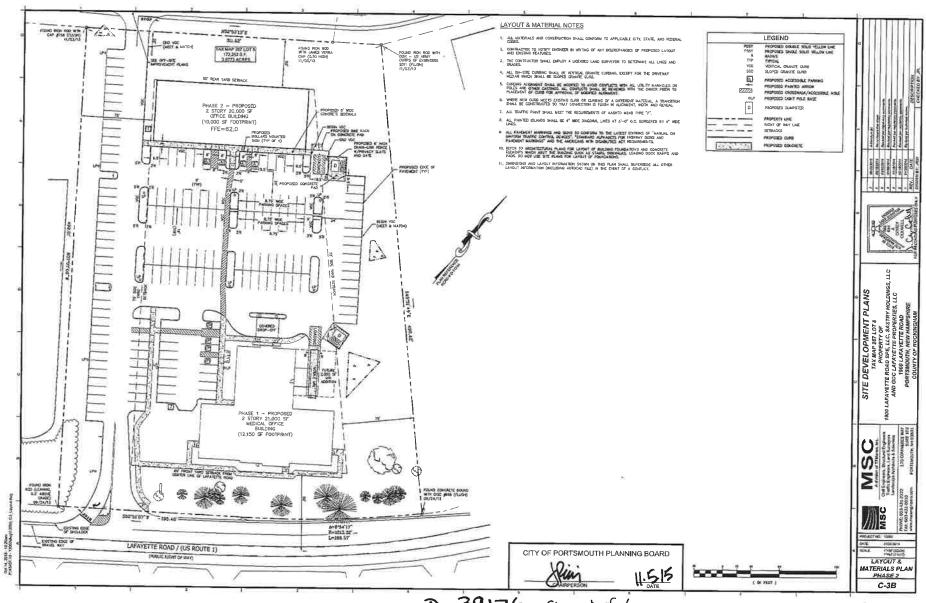
ec: M. Lane



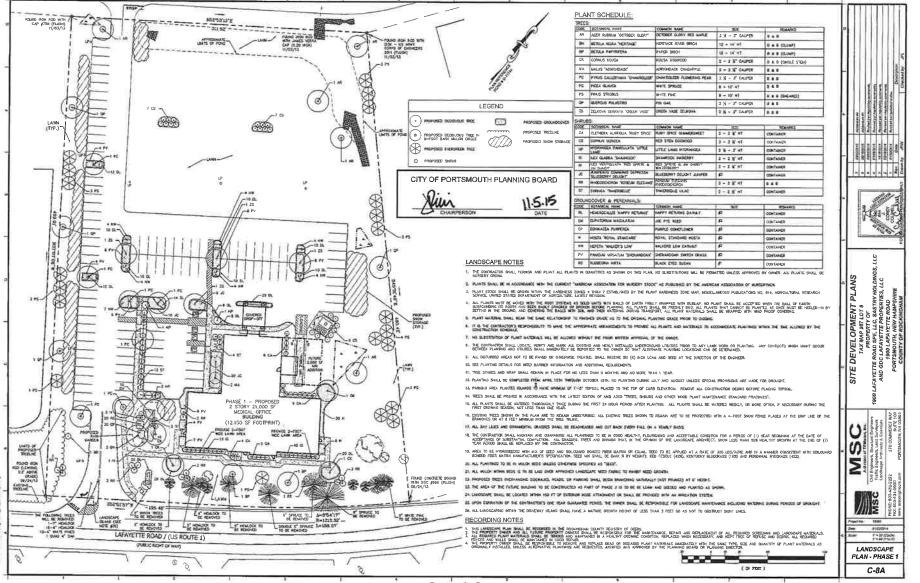




D-39176 Sheet 366



D-39176 Sheet 4 of 6



D- 39176 Sheet 5 of 6 Oct 19, 2015 - 9 03am P-W5407.10 - 13050AN

CLATE DONE THEFT THEFT TO STORY

MSC A division of Trivieran Inc

PLAN-PHASE 2 C-8B

MSC

2015 KOV -9 PM 2: 32

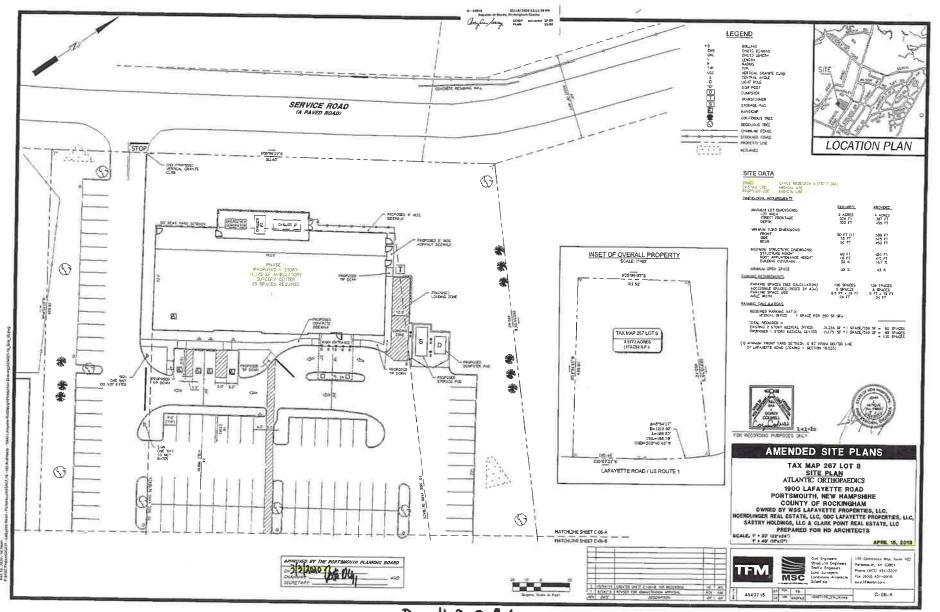
PLANT SCHEDULE

SAMOR

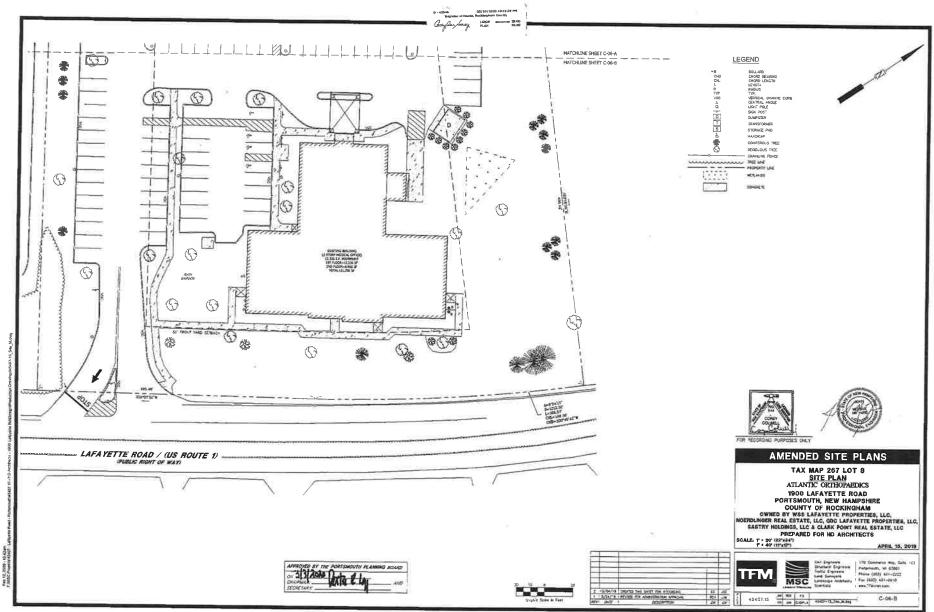
Composition of the person of t

To the

2100



D-42046 sh. 1 of a



1900 Lafayette Road



Property Information

Property ID 0267-0008-0000

Location

1900 LAFAYETTE RD WSS LAFAYETTE PROPERTIES LLC (16.67% INT)



MAP FOR REFERENCE ONLY NOT A LEGAL DOCUMENT

City of Portsmouth, NH makes no claims and no warranties, expressed or implied, concerning the validity or accuracy of the GIS data presented on this map.

Geometry updated 3/9/2022 Data updated 3/9/2022

Print map scale is approximate. Critical layout or measurement activities should not be done using this resource.

Zoning map Elwyn G2 G2 Wilson Rd M SRB McKinlav Rd OR Gampus vi SRB SRB West Rd SRB MRB West Rd SRB Google App Geo 1" = 500 ft

Property Information

Property 0267-0008-0000

Location

1900 LAFAYETTE RD Owner

WSS LAFAYETTE PROPERTIES LLC (16.67% INT)



MAP FOR REFERENCE ONLY NOT A LEGAL DOCUMENT

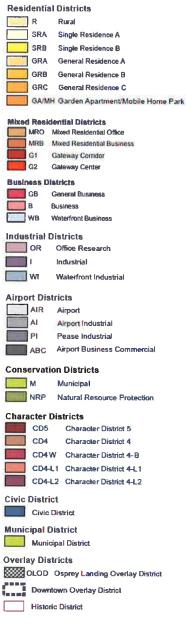
City of Portsmouth, NH makes no claims and no warranties, expressed or implied, concerning the validity or accuracy of the GIS data presented on this map.

Geometry updated 3/9/2022 Data updated 3/9/2022

Print map scale is approximate. Critical layout or measurement activities should not be done using this resource.

Map Theme Legends

Zoning



City of Portsmouth