

Housing — Backgrounder (Election Lens)

Portsmouth Municipal Election — November 4, 2025

Updated: 2025-10-03 • Est. read: 4–5 min

Need a refresher on how the council and mayor are elected? See our [Election Basics](#) for details on the nine at-large seats and how the top vote-getter becomes Mayor.

How housing decisions get made in Portsmouth

Portsmouth is governed by a nine-member Council elected every two years. The Mayor presides and helps set the agenda but votes as one of the nine. The Council adopts ordinances (zoning, inclusionary tools, parking tables), sets budget priorities and refers work to the Planning Board and staff. Boards such as the Planning Board, Historic District Commission and Zoning Board of Adjustment handle site plans, variances and design standards. City staff prepare analyses, draft ordinances and administer programs.

In 2024 the Mayor created a **Housing Blue Ribbon Committee**. The next Mayor and Council can continue, re-charter or replace this body and must approve its members. Because the committee sets research priorities and recommends ordinance packages, its fate is one of the new Council's first decisions.

What the next Council is likely to face (first year)

At its September 24 meeting the Council advanced four housing recommendations to the Planning Board:

1. **Parking review:** move parking review for residential projects with three or more units into the **Site Review** process and draft ordinance changes.
2. **Rezoning:** rezone specified corridors from Industrial/Commercial to **Gateway**, with related ordinance updates.
3. **ADU modernisation:** remove pre-1980 restrictions and allow **accessory dwelling units (ADUs)** by right in General Residence districts; examine allowing ADUs in Rural, SRA and SRB districts.
4. **RSA 79-E adoption:** request a hearing path and ordinance language to adopt **RSA 79-E** tax relief for rehabilitation.

Three new state laws also reshape the rules:

- **HB 577** (effective July 1 2025) expands ADUs by right (attached or detached) and limits local restrictions.
- **SB 284** (effective Sept 13 2025) caps required residential parking at **one space per unit** (with narrow exceptions). Local parking tables and Site Review standards must be updated.

- **HB 631** (effective July 1 2026) requires municipalities to allow **multifamily housing on commercially zoned land** and expands adaptive-reuse pathways. Work on mapping and ordinance text will begin during the Master Plan process.

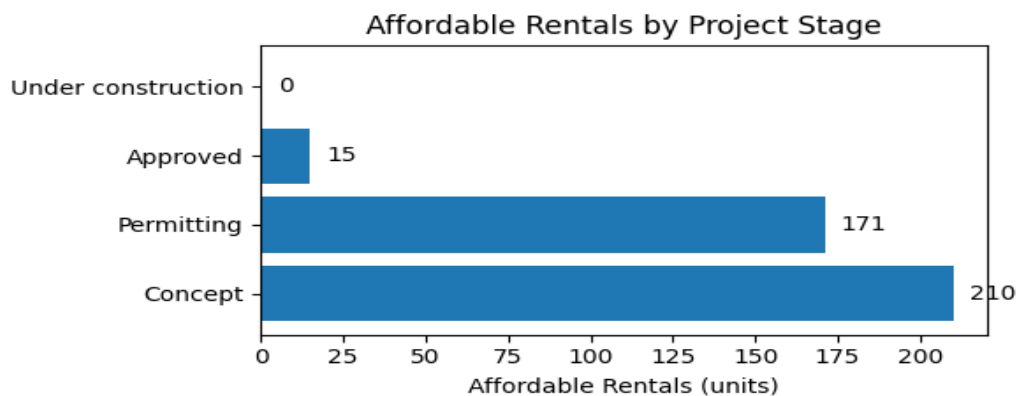
Current conditions snapshot (as of 2025-10-03)

Need vs. pipeline

Analysts estimate Portsmouth needs about **2,800 rental homes** by 2030, with roughly half of that demand coming from households earning $\leq 80\%$ of the area median income. The current rental pipeline totals **1,609 units: 1,213 market-rate** and **396 income-restricted**. This leaves a shortfall of **1,191 rentals**, nearly all of which must be permanently affordable. (See the Quick Glance for a simple “need vs. pipeline” visual.)

Pipeline composition and stage

Most of the pipeline is market-rate housing; just under one-quarter is income-restricted. What’s more, nearly all income-restricted rentals are early in the process—at the **Concept** or **Permitting** stage—with none yet under construction. The graphic below illustrates the status mix.

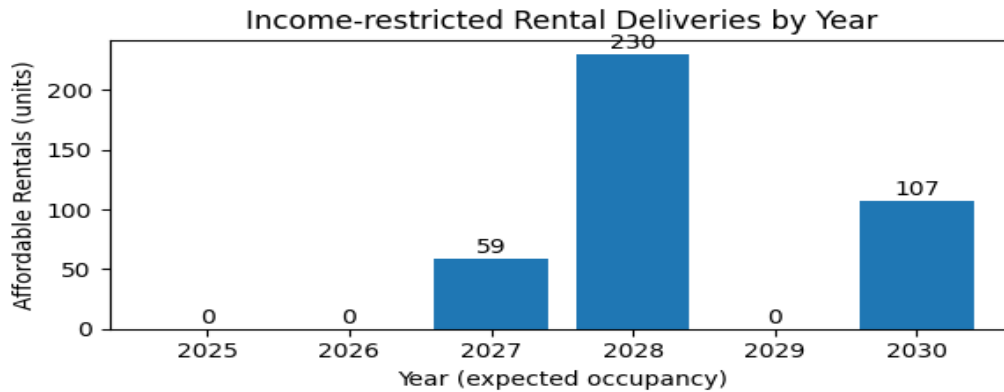


Caption: Affordable rentals by project stage. Most income-restricted units are still in early stages: **210** in concept, **171** in permitting, **15** approved and **0** under construction. This explains why affordable deliveries remain several years away.

Alt text: Horizontal bar chart showing affordable rentals by stage: 210 concept, 171 permitting, 15 approved, 0 under construction.

Timing of deliveries

Income-restricted rentals begin arriving in **2027**, with **59** units, then peak in **2028** with **230** units, followed by **107** units in **2030**. There are **no affordable deliveries** in 2025, 2026 or 2029. The all-tenure pipeline (rentals and ownership) peaks in 2027 and then drops off. The chart below highlights the long wait for affordable housing.



*Caption: **Income-restricted rental deliveries by year.** Affordable rentals appear late in the decade: **59** units in 2027, **230** in 2028, none in 2029 and **107** in 2030.*

Alt text: Vertical bar chart showing affordable rentals by year).

Interpretation and key drivers

Several factors contribute to this shortage and delay:

- **Supply-demand gap:** Portsmouth's vacancy rates remain extremely low and housing costs have risen sharply since 2019. New construction has not kept pace with population and job growth.
- **Cost stack:** High land, construction and financing costs raise the total cost of producing a home.
- **Income mismatch:** Median rents and home prices outpace income growth, leaving **36 % of renters** and **23 % of owners** cost-burdened. Many households earning ≤ 80 % AMI cannot afford market rents and thus require income-restricted units.
- **Zoning and process:** Zoning determines what and where housing can be built; lengthy permitting increases carrying costs and risk.
- **Funding bottlenecks:** Limited local/state funds and scarce federal tax credits restrict the pace and depth of income-restricted development.

Neutral policy approaches (what you're likely to hear)

- **Production-first (streamline and permit).** Expand by-right multifamily where infrastructure exists, align with HB 631 and SB 284, and speed up approvals to increase total supply.
- **Preservation-first.** Protect existing income-restricted and naturally affordable units from expiring subsidies or conversion through acquisition, rehabilitation and deed restrictions.
- **Incentives/partnerships.** Leverage Low Income Housing Tax Credits, RSA 79-E tax relief, local housing trust funds and public-private partnerships to close financing gaps.

- **Standards/mandates:** Use inclusionary requirements, calibrated parking minimums and form-based codes to set clear expectations and tie approvals to affordability.

Committee structure choices

Continue the Housing Blue Ribbon Committee. Offers continuity and a forum for research and public input; may need a refreshed charge and deadlines.

Re-charter or replace. Tailor the committee's scope to address new state laws, add finance and preservation expertise and align with the Master Plan schedule.

Ad hoc task forces. Create short-term working groups to deliver specific ordinance packages (e.g., HB 631 map/text, parking reforms) and then sunset.

What to watch after swearing in

- **Organisational meeting:** The new Council will set committee assignments and meeting schedules in early 2026.
- **Planning Board work:** Follow work sessions and hearings on the Sept 24 referrals (parking reform, rezoning, ADU update, RSA 79-E adoption).
- **State-law alignment:** Watch for local ordinances implementing **HB 577**, **SB 284** and **HB 631**.
- **Master Plan Phase 2 workshops:** Sessions will inform near-term code changes.
- **Budget hearings:** Spring 2026 hearings will signal funding for staff, consultants and housing programs.

Sources

- **2022 Portsmouth Housing Market Study** (RKG for Portsmouth Housing Authority) — vacancy and cost-burden data.
 - **Portsmouth Housing updates and pipeline database** — pipeline composition and timelines.
 - **Council agenda (September 24 2025)** — four housing recommendations.
 - **New Hampshire legislation:** **HB 577** (ADUs), **SB 284** (parking), **HB 631** (multifamily in commercial zones).
 - **Master Plan process** information and city charter.
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Looking for even more detail and national context? Continue to the Housing Deep Dive.