

## CITY COUNCIL WORK SESSION

### POTENTIAL 2<sup>ND</sup> PARKING GARAGE – 165 DEER STREET

February 5, 2015 – 6:30 p.m.

Eileen Dondero Foley Council Chambers

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City Council Present: Mayor Lister, Assistant Mayor Splaine, Councilors Shaheen, Lown, Morgan, Spear and Thorsen

City Council Absent: Councilors Kennedy and Dwyer

Staff Present: City Manager Bohenko, Deputy City Manager Allen, City Attorney Sullivan, Public Works Director Rice, Planning Director Taintor, City Planner Cracknell, Economic Development Manager Carmer and Assistant Finance Director Purgiel

Economic Development Commission members Present: Everett Eaton, Chair, John Bosen, Philip Cohen, Josh Cyr, Robert Marchewka and John Pratt.

Also Present: Kim Rogers, President and Holly Malloy, Vice President, GL Rogers and Company

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#### I. Call to Order

Mayor Lister called the meeting to order at 6:35 p.m.

City Manager Bohenko gave a brief project overview of the proposed public-private partnership to construct a 600+/- Space Public Parking Garage Structure and Liner Building at 165 Deer Street.  
*(Full text of the power point presentation available upon request)*

He reviewed the chronology from July 2002, City hiring consulting team to conduct feasibility study of a second Parking Garage at Worth Lot, through January 2014 where the City Council requested the EDC evaluate downtown locations excluding the Worth Lot and Parrott Avenue Lot for a 2<sup>nd</sup> downtown parking garage.

Everett Eaton, Chair of the Economic Development Commission explained charge of the EDC sub-committee was to evaluate and identify a suitable location within the downtown for a new municipal parking structure that will support existing and future parking demand. He continued that the sub committee took the following actions:

1. Reviewed the 2011 Nelson-Nygaard, Parking Supply and Demand Report and the 2012 Parking Garage Site Selection Committee Report.
2. Identified and evaluated over 20 public and privately owned parcels that might support a municipal parking structure.
3. Reduced the list of potentially suitable sites using general criteria then refined the list using the evaluation criteria from the 2012 study.
4. Contacted the property owners of the short-listed sites to explore interest.
5. Developed a conceptual site plan for a municipal parking garage, evaluated the zoning regulations, and a work plan for next steps.

Mr. Eaton then reviewed the adverse impacts of parking shortage to the vitality of downtown Portsmouth as follows:

1. Need for convenient, appropriately priced parking is key to retail, restaurant and the office markets.
2. Customers and visitors become disgruntled and will go elsewhere.
3. Developers become reluctant to invest in the CBD.
4. Business attraction/retention efforts are challenged.
5. Tax base threatened with significant opportunity costs.

He stated that the recommendation is to evaluate the feasibility of developing a private-public partnership for construction of a 600+/- space municipal parking structure at 165 Deer Street. He concluded by stating that this process is reminiscent of the movie ‘Groundhog Day’ in that they EDC makes recommendations to the Council, the Council refers it back, and so on and it is upsetting the critical balance between business and retail.

Public Works Director Peter Rice reviewed the parking demand and supply challenges as have been sited in various reports stating the rate changes had an effect on filling the garage leading to more closures, more often. He reviewed the downtown on-street parking utilization figures which exceed the 85% limit. Next he stated that another issue that will impact parking need is the upcoming maintenance and repairs scheduled for the High-Hanover Parking Garage which will be phased-in over 3 years with 30% of the spaces out of service. He stated it would increase the cost if we try to do it with less of an impact to the parking. He reviewed the wait-list for monthly parking at the High-Hanover Garage with 750 currently reserved tenants with a daily average utilization rate of 30%. He stated there are over 100 people on the waiting list with an average 7 month wait. Finally he discussed the parking omnibus recommendations a/k/a the three-legged stool stating that this is the 3<sup>rd</sup> leg of the stool.

City Planner Nick Cracknell reviewed the Evaluation Criteria for a potential parking garage location as followed:

1. Proximity to Market Square
2. Proximity to recent or proposed economic development
3. Potential for multi-modal transportation facilities
4. Potential to support economic development or capital improvements
5. Improve pedestrian and vehicular traffic impacts, access and circulation
6. Availability of site (ownership and interest)
7. Minimize the level of complexity
8. Visual impacts and ability to screen garage with multi-story liner buildings
9. Estimated net gain of public parking spaces
10. Minimize construction costs per new parking space

He explained that criteria was applied to 7 different proposed locations with the preferred site being 165 Deer Street. He continued that as a part of the North End vision plan and Charette process, 6 “big ideas” were brought forth including; public waterfront access, civic spaces, mixed-income housing, contemporary architecture, taller buildings and sustainability. He concluded by reviewing the walkability elements.

Deputy City Manager Dave Allen reviewed the existing conditions, conceptual building and site plan, conceptual level site plan stating that there will need to be a sewer line relocated, extended in to Deer Street and then tied back in. He then reviewed the Preliminary Garage layout.

Councilor Shaheen asked for clarification of the new street layout and that there would be no through traffic, only pedestrian traffic. Mr. Allen stated that was correct.

Next, Kim Rogers of GL Rogers and Company, Deer Street Associates, introduced his team and highlighted their connection to the City of Portsmouth. He reviewed their inspirations and issues they care about in relation to this project towards continuous community improvement. He reviewed their history with the project and clarified that DSA and GLRC are not land speculators and philosophically, they are committed to long-term ownership of property. The decision to sell land to the City (vs. lease) was based on the greater benefit to the community that they live and work in and to positively impact future of the North End neighborhood.

Mr. Rogers reviewed slides of the project area and current neighborhood. He spoke regarding walkability and creating a sense of place and connecting neighborhoods with civic values and safety and pedestrian friendliness. Ways in which the neighborhood would be enhanced include screening the view, noise protection, destination point with pedestrian level commercial space, safety and increasing neighborhood property values. Finally, he discussed providing help for the displaced tenants and their possible future plans.

City Manager Bohenko then reviewed the Pro Forma of a 600 space Deer Street New parking facility explaining the current High Hanover Parking Facility with 877 paying spaces, 750 pass holders and an average 60% availability of spaces for hourly usage from 8:00 a.m. – 10:00 p.m. He stated that with the new 600 space Deer Street Parking Facility, they would move 300 pass holders from High Hanover to Deer Street and reduce the charge for those passes. He further explained the plan to increase rates in 2017 and reviewed the detailed projections. He stated that adding this garage does not have an impact on taxpayers and the tax rate and puts money into the general fund.

City Attorney Sullivan discussed the Letter of Intent (page 29) stating that there are a lot of moving parts that have to come together to make this happen and it needs to start small which is the letter of intent which is non-binding but creates the frame-work.

City Manager Bohenko concluded the presentation by reviewing the Next Steps which include; Site Analysis, Financial Analysis, Bonding Authorization, Development Agreement and Building Construction tentatively to begin in 2016 and completed in 2017.

Councilor Shaheen thanked the Economic Development Commission and parking subcommittee for their work on this challenging issue and are glad that they were willing to take a fresh look. She also thanked the Rogers for being a part of the community and honoring the tenants. She concluded stating that this is a win/win/win.

Assistant Mayor Splaine stated he feels that a new garage will help with the work needed at High-Hanover and people are opposed to Worth Lot and Parrott Ave. Lot as an alternative, this is the only other location. Finally, he feels that this is in the area in the North end where development is going to be occurring in the future. He then asked what happened to a previously discussed concept of a rooftop garden for public use.

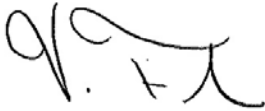
City Manager Bohenko explained that it is a life-safety code issue that sky-rockets the cost of insurance so this would be a policy decision. He stated another option is to add a park to the entrance of the corridor and was discussed by the consultants. He stated adding that back would be a decision for the Council and would add a cost to the taxpayer which as of now, the 600 space garage on its own has no impact on taxpayers.

Discussion ensued regarding the impact of adding 600 spaces and that the issue of parking is ongoing, but businesses need to be ensured that we can provide their customers parking so that people will keep coming to Portsmouth.

VI. Adjournment

Mayor Lister closed the Work Session at 8:00 p.m.

Respectfully submitted by:

A handwritten signature in black ink, appearing to read 'V. French', written in a cursive style.

Valerie A. French,  
Deputy City Clerk