

Parking System Overview



City Council Work Session, August 17, 2026



What We Are Hearing

Residents

Residents appreciate being made a priority and are seeing more open spaces on City streets since the RAPP Pilot began.

Downtown workers and businesses

Downtown workers and business owners are concerned about rising costs and availability of parking downtown.

Our goal tonight is to listen to residents, businesses, downtown workers, and the Council to better understand potential solutions that we can report back on.

Rationale for Rate-Setting

These rates follow the Council-adopted 2025 Parking Principles as defined in the [Strategic Parking Plan](#)

Parking Principles Highlight

- Address peak demand while recognizing the difference between short-term and long-term parking, encourage off-street parking for long-term
- Provide Citywide benefits through adequate supply and a diverse transportation network
- Promote the use of sustainable, multimodal transportation options when feasible
- Consider the needs of the downtown workforce
- The program should be self-supporting

How Parking Revenue May Be Used

Meter revenue is restricted (RSA 231:131) to:

- Purchase, maintain, and police meters
- Maintain and improve streets and highways
- Acquire, construct, improve, maintain, and manage public parking areas and public transportation systems

Other Revenues:

- Revenues from parking facilities built with general obligation bonds are unrestricted

Parking Pays for Itself and Supports the City

The Parking Fund draws nothing from local property taxes.

\$6.86M*

FY27 total budgeted contribution

\$2.5M

Direct support to the General Fund

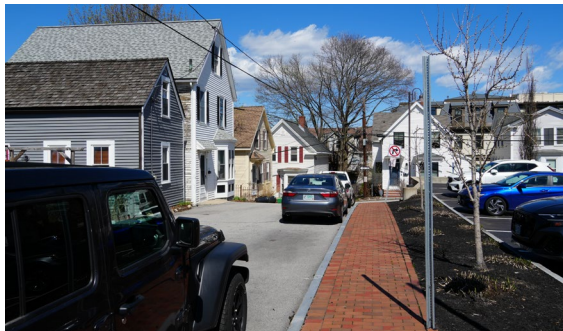
\$998K

COAST public transportation

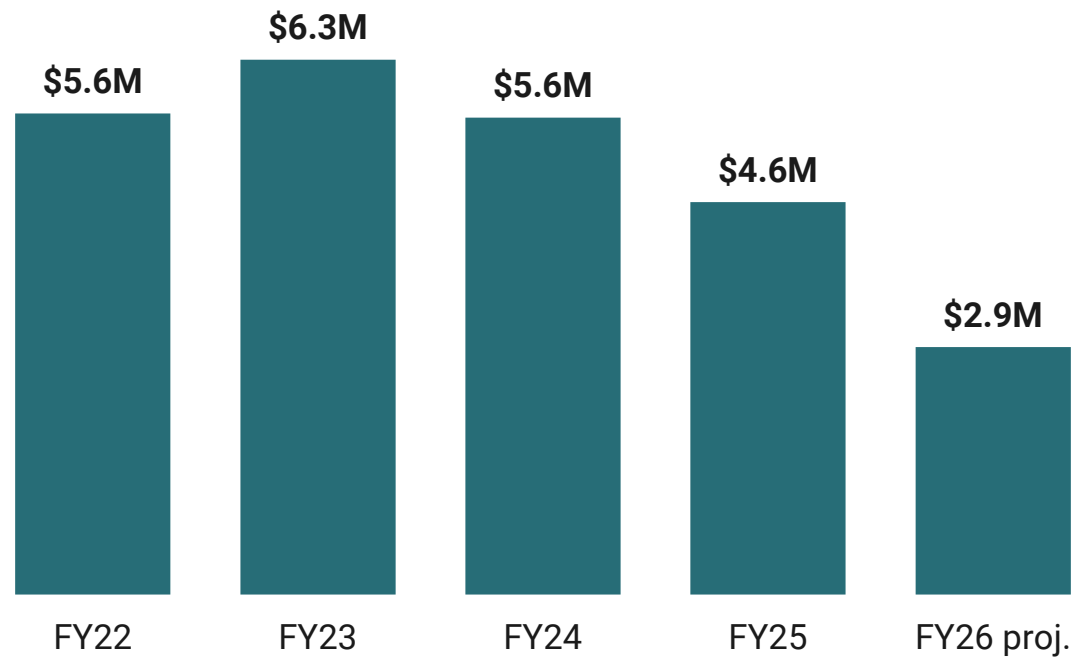
\$512

Offset on the median home
property tax bill

***Total contribution increased
67.6% since FY22.**



Planned Reduction in Fund Balance



Parking Fund reserve, at fiscal year end.

- Planned reduction through the Hanover Garage reconstruction (2022 to 2025), as construction reduced spaces and revenue
- **Hanover Garage reconstruction was a \$6.8M project (1/3 of 900 spots out of service each year)**
- Planned reduction lowered fund balance from \$6.3M to \$2.9M *projected* in FY26
- **FY27 rate changes help rebuild the fund balance, and address future needs, including economic downturns, a possible third garage, and multimodal transportation initiatives**

One Connected System, Three Options for Short-Term Parking

● On-street and lots

2.0 hours

average stay

Most convenient and closest to the door. Priced to turn over so customers can find a space.

\$2/hour, then \$5/hour after 3 hours

● Hanover Garage

3.8 hours

average stay

Works well for shopping and dining for mid-range stays of 2 to 4 hours

\$3/hour

● Foundry Garage

8.9 hours

average stay

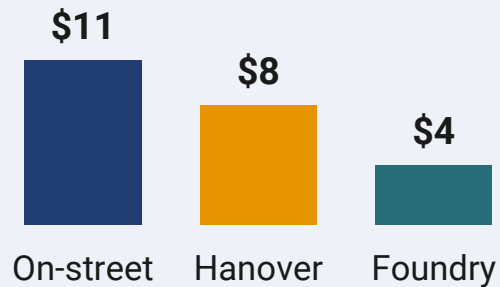
Holds all-day parking and the downtown workforce.

\$2/hour

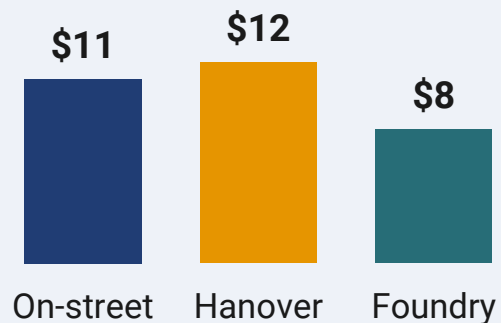
Registered residents pay a discounted rate:
\$1.25/hour, then \$2.25/hour after 3 hours for on-street and lots.

On-Street is Now Priced Below the Garage

Before July



After July's planned Garage increase



Adjust On-Street Rates to Align with Parking Principles

- Adjust on-street and lot rates to \$3/hour for the first 3 hours and \$6/hour thereafter
- Most convenient spaces priced above the garages, encouraging turnover

Cost of a 4-hour stay

The most convenient and most limited spaces are now less expensive than the garage, encouraging long-term parking on the street, limiting turnover that helps support downtown businesses.

Options for the Downtown Workforce

160 / day

Foundry Workforce parking, July 2026

+32.2%

vs June 2026 (month over month)

+23.1%

vs July 2025 (year over year)

● Parrott Avenue Pilot

30¢/hour + 35¢ fee

Pay only for the hours used, about \$3.35 for a 10-hour day

On-street, 108 spaces

● Foundry Garage

\$3 for up to 10 hours

Up to 20 times per month

A structured garage space

Report Back on Parking Metrics Quarterly & Pursue Integrated Solutions

Next Steps

- 1 Continue to evaluate parking utilization, and options for all users
- 2 Report quarterly on RAPP and Downtown Workforce Parking Program
- 3 Proceed with the development of a Multimodal Action Plan
- 4 Continue to evaluate parking options to support housing, transit, and meet Climate Action Plan goals

Questions and Discussion



City of Portsmouth, New Hampshire