



Housing Action Plan

July 2026



Purpose

Identify practical steps to increase housing options and improve affordability.

Approach

Coordinate zoning, redevelopment strategies, housing programs and the Master Plan.

Outcome

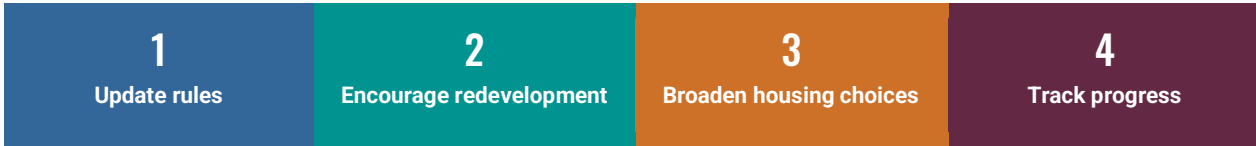
Provide a clear roadmap with actions, responsible parties and timeframes.

In this plan

Over the past decade, the City of Portsmouth has taken a consistent and proactive approach to understanding and addressing local housing needs. This effort has included a combination of planning studies, public engagement, zoning ordinance and map updates, and policy initiatives aimed at increasing housing opportunities, improving affordability, and supporting long-term community stability.

City Council direction

- Increase housing supply
- Reduce costs and simplify development
- Expand below market-rate housing options
- Coordinate with the Master Plan update



A strong foundation for this work was established through a series of housing-related studies and reports. Beginning with the Housing Committee Final Report and City Council Housing Policy in 2016, the City has continued to build on its understanding of local housing conditions through ongoing research and analysis. This includes the “Places to Live” study circle dialogue in 2024, an Inclusionary Zoning Analysis completed in the same year, and earlier efforts such as the Portsmouth Market Study (2022) and Housing Development Trends analysis (2020). These studies reflect a sustained focus on evaluating housing supply, affordability challenges, and policy responses.

Housing has been identified as the top priority of both the current City Council and the prior Council. The 2026-2027 City Council established a clear goal of increasing housing supply for all income levels, reducing costs, simplifying the development process, and expanding below market-rate housing options. This Council also directed the creation of a Housing Action Plan and a comprehensive update of the zoning ordinance.

This direction builds on the goals of the 2024-2025 City Council, which emphasized expanding housing choices, increasing below market-rate housing, and advancing zoning changes to support housing development. That Council also supported initiatives such as the Housing Navigator program, the Housing Blue Ribbon Committee, and establishment of a Below Market Rate Housing Trust Fund.

Zoning Changes

Key point: The City has made a number of updates to its zoning ordinance to better accommodate housing development. Portsmouth maintains a zoning framework that is regularly reviewed and amended, with updates adopted as recently as 2025 and 2026. Recent amendments have directly addressed housing-

related barriers, including updates to accessory dwelling unit (ADU) regulations to comply with state law, modifications to off-street parking requirements, and the introduction of new housing types such as co-living.

Earlier zoning initiatives during this period also helped establish the framework for more flexible land use. The adoption and expansion of the Gateway zoning districts and creation of the Gateway Neighborhood Overlay District have supported redevelopment and encouraged a broader range of housing types in appropriate locations. These efforts have laid important groundwork for the current Housing Action Plan.

Housing Production Incentives

Key point: In addition to regulatory updates, the City has explored and advanced a range of policy approaches to support housing production. City Council and Housing Committee discussions have focused on strategies such as allowing conversion of single-family homes into multiple units, expanding mixed-use zoning, and reducing parking-related barriers. The City has also explored financial tools, including the continued use of the Housing Trust Fund and other funding or incentive programs to support housing development.

As a result of these combined efforts, Portsmouth has built a strong foundation for continued progress. The City has not only studied housing issues extensively, but has also taken concrete steps to update regulations, test new approaches, and support development in practice. More recent zoning changes have demonstrated a willingness to allow increased density and new housing types in appropriate areas, helping to expand housing opportunities across the community.

This body of work directly informs the Housing Action Plan and the recommendations that follow. The actions identified in this plan build on past efforts, advance strategies that have already been studied or tested, and provide a more coordinated framework for moving forward. Together with the ongoing Master Plan update, they represent the next step in Portsmouth’s continued effort to address housing needs in a thoughtful and proactive way.

The City of Portsmouth has developed a Housing Action Plan to identify practical steps that can be taken to address housing needs. The plan focuses on increasing the number of housing options available, improving affordability, and supporting the long-term stability of Portsmouth as a place for people at different stages of life and income levels.

Master Plan Integration

Key point: This Housing Action Plan is intended to support and help implement the broader goals of the Master Plan. Many of the recommended actions, particularly those related to zoning and land use, will be advanced through the Master Plan update and subsequent changes to the City’s zoning regulations. By linking these efforts, the City can ensure that its housing policies are coordinated, consistent, and grounded in a long-term vision for the community.

At its core, the plan is about making it easier to create housing with a specific focus on expanding below market rate housing options. Over time, zoning rules and development requirements have made it more difficult to build new housing or redevelop existing properties. Many of the actions in this plan focus on updating those rules to provide more flexibility while

still maintaining the character of Portsmouth. This includes allowing more multi-family housing, reducing requirements such as lot size and setbacks, and making it easier to convert large single-family homes into multiple units. These changes are intended to support new housing in areas that are already developed, rather than relying solely on new growth areas.

The plan emphasizes making better use of properties that are currently underutilized. This includes encouraging the redevelopment of older commercial and office buildings into housing, as well as revising zoning in certain business districts to allow residential uses. These types of changes are most effective when coordinated with the Master Plan, ensuring that future land use decisions align with broader community goals.

Another important focus is creating a wider range of housing types. Different households have different needs, and no single housing type will meet all of them. The plan supports options such as smaller homes, clustered housing, workforce housing, and live/work units. These housing types can provide more choices for residents, including young professionals, working families, and older adults who may be looking to downsize.

In addition to regulatory changes, the plan includes financial tools and housing programs to support development and improve access to housing. These include using the City’s Housing Trust Fund to help finance projects, allowing developers to contribute to housing through in-lieu payments, and creating programs to assist homebuyers. These tools are intended to help close gaps that can make housing difficult to build or afford.

The plan also recognizes the importance of preserving housing that already exists. Maintaining below market-rate housing, supporting housing options for older residents, and ensuring compliance with workforce housing requirements are all part of a broader effort to ensure Portsmouth is a place that provides a diverse range of household options for residents.

Each action in the plan includes clear steps, responsible parties, and timeframes. This structure provides a roadmap for implementation and makes it possible to track progress over time, including as part of the ongoing Master Plan update process.

The Housing Action Plan provides a practical and focused approach to addressing housing challenges. By combining targeted zoning updates, redevelopment strategies, and supportive programs, and aligning these efforts with the Master Plan, the City can take meaningful steps toward increasing housing availability, improving affordability, and maintaining a strong and resilient community.

Implementation Roadmap

The following implementation matrix outlines the specific actions, timelines, and responsibilities associated with this Housing Action Plan. Together, these actions provide a clear roadmap for how the City can move from policy direction to measurable results over time.