



Meeting Agenda

Sherburne School Workforce Housing Project

September 4, 2025 Update

PHA team in attendance:

Craig Welch, Executive Director; Ernie Carrier, Director; Valerie Labrie, Chief Financial Officer; Andrea Pickett, Director of Outreach and Engagement; Matt Peters, Elysian Communities, Consultant to Project; Attorney Kara Sweeney.

1. Review policy framework
2. Progress to date
3. Development strategy
4. Proposal consistency with RFP
5. Funding shortfall
6. LIHTC competition self-score
7. Technical and design considerations
8. Key challenges
9. Communications
10. Planning Board conditions

Highlights

- Extensive community engagement
- Speedy design and approvals as promised in RFP
- Largest scale possible within existing funding constraints
- Zero risk to City. A risk carried by PHA. \$450,000+ expense to date
- Significant CDFA Tax Credit award
- Only project in Portsmouth to succeed in LIHTC pre-application

Key Policy Framework

Local: Delivers as many units as possible in the shortest timeframe.

State: As outlined in the Qualified Allocation Plan, scoring: Cost reasonableness, Leverage, Income targeting, Scale, Specialized housing

Progress to Date

- Development Agreement with City
- LIHTC Pre-Approval
- Schematic design
- Historic review
- ESA Phase 1
- Traffic Study
- Soil testing
- Utility mapping
- Speed Study
- Noise Study
- Fee waivers
- School building structural evaluation
- Resident Services Plan submitted
- Energy Charrette scheduled – Resilient Buildings Group
- Low-Income Housing Tax Credit Pre-application submitted
- Site visit with New Hampshire Housing
- Awarded \$650,000 in state business tax credits available, outreach in progress
- Planning Board approval

Development Strategy

The chosen strategy behind this approach is driven by the availability of equity and subsidized debt. These constraints have compelled us to develop a plan to obtain land use permits for the entire project, after which financing and development will occur in two sequential phases.

Project 1: The Pit. 90-unit building

- Installs infrastructure sized for full buildout, including utilities, stormwater systems, driveways, and circulation.

Project 2: The School: 8 units in school, 29 units new construction.

- Full design to commence Q1 2026
- Contemplating design revision

Proposal Consistency with RFP

See attachment

Funding

See attachment

Layered Funding Sources (in addition to LIHTC):

- \$650,000 in NH Community Development Finance Authority (CDFA) tax credits — outreach for pledges underway
- Federal Home Loan Bank AHP program
- Developer Fee Loan & Sponsor Loan
- Green infrastructure incentives (Solar for All, Heat Pump Accelerator Program)
- Community Project Funding (federal appropriations)
- Rockingham Economic Development Corporation
- Community Development Block Grant (CDBG)
- Corporate sponsorships and philanthropic partners
- Others - undisclosed

LIHTC Competition Self-Score

See attachment

Competitive Position for LIHTC award

- Only LIHTC project in Portsmouth, strengthening the case for both state and local investment.
- Fewer total applicants this round compared to past cycles.
- One of only two “twin-deal” proposals statewide, increasing our visibility and competitiveness.
- Three age-restricted proposals, with only one to be funded.

Technical and Design Considerations

We are committed to delivering a high-performance, durable, and accessible development that supports long-term affordability. Planned features include:

- Phase 1 site plan includes all future connections/stubs
- Hydrant locations included coordinating with the fire department
- Sewer design in discussion with City of Portsmouth DPW; conditional approval
- Eversource coordination in progress; electric load assumptions in development
- Sustainability goals:
- Not pursuing Passive House certifications
- Targeting R-40 wall and R-5 window performance
- Solar installation planned (via third-party provider) 150,000 kWh \$450,000
- EV charging infrastructure under consideration

- Construction approach:
- Wood-frame with engineered trusses
- Panelized construction with light-gauge steel for non-load-bearing interiors
- Simplified, maintainable systems prioritized for long-term affordability
- Planning to increase accessible unit percentage from 5% to 15%
- Improved access requested by fire department
- Energy Star and HERS certification targets, with R-40 walls, R-5 windows, and other efficiency measures.
- Solar installation via a third-party provider. Revision Energy estimates that the 90-unit building would accommodate an array of roughly 138 kilowatts of direct current from solar panels. The expectation is that this will generate approximately 151 kilowatt-hours per year.
- EV charging capacity, under final evaluation with a strong preference for inclusion.

Key Challenges

- Fewer funding sources – loss of capital subsidies
- Increasing costs, BABAA, tariffs, labor markets
- Competitiveness of LIHTC.
- Short-term stabilization of the school building.
- Off-site costs

Communications Reset

- Monthly written reports to City Manager
- City staff
 - Planning
 - DPW
 - Legal
 - Communications
- Mayor and Council
- Housing Committee
- City residents
- Coordination and planning

Planning Board and TAC Conditions

- Noise Overlay
- Pollutant tracking and accounting program (PTAP)
- Site Plan updates