



THE PORTSMOUTH HOUSING AUTHORITY
& PHA HOUSING DEVELOPMENT LTD.
603-436-4310 | PORTHOUSING.ORG

October 3, 2025

Natasha Dube, Director, Business Operations
New Hampshire Housing, Multifamily Housing Division
PO Box 5087
Manchester, NH 03108

Dear Natasha,

On behalf of Portsmouth Housing and the entire Sherburne School Workforce Housing Development team, I am pleased to submit our final application for Low-Income Housing Tax Credits to support the first phase of affordable housing development at the former Sherburne School. This phase will create ninety new affordable homes as part of a broader vision for this historic site.

The Sherburne School redevelopment will deliver 127 units in two phases. This application covers 40 units within a 90-unit building, financed with both 4% and 9% credits. Though structured as a hybrid, it is not a “twin deal”; instead, the split maximizes feasibility and efficiency while moving the full buildout forward. By leveraging this hybrid structure, we meet multiple goals for the city and state: delivering urgently needed workforce housing, deploying resources efficiently, and strengthening long-term community resilience. Our financial model is strong, and we are confident this application demonstrates a highly competitive, community-centered, and well-coordinated capacity, fully aligned with the priorities of New Hampshire Housing, the City of Portsmouth, and the Portsmouth Housing Authority.

The genesis of this project started with a bold policy statement by the Mayor and City Council to provide City-owned land for the development of new affordable housing. Multiple studies concluded that of all city-owned parcels, the Sherburne School clearly had the most potential to achieve the goal to add as many affordable housing units as possible in the shortest amount of time. This proposal is a realization of this goal.

This application is the result of two and one-half years of collaboration between Portsmouth Housing and the City of Portsmouth. Throughout that time, hundreds of residents, businesses, and other stakeholders in Portsmouth were engaged in this process. Multiple public meetings, door-to-door outreach with neighbors to the city, and design charrettes to ensure the development reflects neighborhood priorities and resident feedback. The resulting plan represents a true partnership between the City, its residents, and the housing authority.

Throughout 2024, Portsmouth Housing engaged in a highly competitive selection process by the City to choose a developer partner for the site. During this process, Portsmouth Housing competed with some of the largest housing developers in the nation, but our recent success in developing new housing, our expertise, our courage to innovate and our deep connections to the City over the past 70 years led the City to choose Portsmouth Housing as its partner.

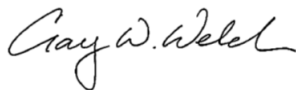
As you review our application, we respectfully highlight the following:

- **Deep affordability:** 100% of units reserved for households $\leq 60\%$ AMI, with rents at 30% of income.
- **Family-oriented mix:** Significant share of two- and three-bedroom apartments.
- **Livability and density:** Balanced design with green spaces, play areas, and accessibility for all ages and abilities.
- **Eight Project-Based Vouchers (20%)** to support the most rent-burdened households.
- **Accessibility and equity:** Universal design, ADA-compliant units, green space, and elevator service.
- **Cost control:** \$15.058M for this 40-unit phase, weighted TDC of \$333,804 — below state averages while delivering density.
- **Regional workforce impact:** Portsmouth holds 25% of Rockingham County jobs but only ~8% of its housing stock, forcing thousands to commute. With vacancies below 1%, Sherburne directly addresses this imbalance.
- **Municipal commitment:** The City's contribution of public land demonstrates shared risk and leadership; state investment will multiply this commitment.

This project aligns closely with the 2025 Qualified Allocation Plan. With a self-assessed score of 151, we are confident it will stand out for both **community benefit and readiness to proceed**.

Thank you for your consideration and for the guidance your team has provided throughout this process. We are ready to move quickly upon award to bring this urgently needed housing to fruition. We look forward to the opportunity to advance this much-needed housing development in partnership with New Hampshire Housing.

Sincerely,



Craig W. Welch
Executive Director
Portsmouth Housing Authority and PHA Housing Development Ltd.

CC: Deaglan McEachern, Mayor – Portsmouth, NH – mayor@portsmouthnh.gov
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