

# City of Portsmouth

*Department of Public Works*



While we always welcome resident input, a recent letter to the editor suggests that there may be some misunderstanding about how expenses for the new parking garage are paid. The fact is, taxpayers do not pay a penny for any parking related expenses, including the new Foundry Place Garage. The City's Parking Division is fully funded by parking revenues. In fact, parking revenues offset the City's tax bill by over \$4 million (\$2.4M in direct contribution and \$1.8 in additional services) -- which reduces the tax bill for most households (a savings of approximately \$300 per year for the median value household).

The Foundry Garage opened just over a year ago. Since then, utilization has increased steadily and current revenues from the Garage exceed revenue projections.

It is important to note that the garage was built to address current and future needs. If it were at capacity now, we would be approaching the City Council to plan for another garage.

Parking operations are a quintessential cost-benefit model where pricing is used to affect behavior. The goal is to price on-street parking to the level that results in open spaces nearest the desired location. Doing this ensures on-street parking spaces nearest the stores and restaurants patrons want to visit are available. Adjusting the pricing allows the marketplace to decide where people park. If people want to pay less, they park at the new garage.

We encourage readers to share this information. Together, with the data in hand, we can work to ensure the success of the Foundry Place Garage, into the future.

Sincerely,

A handwritten signature in black ink, appearing to read 'Peter H. Rice', written in a cursive style.

Peter H. Rice, P.E.  
Director of Public Works