CITY OF CONCORD
Administration
41 Green Street • Concord, NH 03301 • (603) 225-8570
www.concordnh.gov

MEMORANDUM TO RSA 79-E APPLICANTS

To: RSA 79-E Applicants

From: Matthew R. Walsh, Dir. of Redevelopment, Downtown Services, and Special Projects

Date: November 12, 2021

Thank you for your interest in the City of Concord's RSA 79-E Community Revitalization Tax Relief Incentive Program.

In accordance with RSA 79-E, City Council may grant temporary property tax relief for a defined period of time in order to incentivize qualifying development projects that either rehabilitate certain qualifying structures or replace structures which do not possess significant historical, cultural, or architectural value, provided said projects create certain public benefits. Key components of the program are as follows:

1. Eligible projects are as follows. In addition to the criteria below, all projects must satisfy one or more of the public benefits set forth in RSA 79-E:7.
    a. Rehabilitation Projects:
        i. Buildings located within the Downtown or Penacook Village RSA 79-E Districts, as depicted in Exhibit 1 of the attached application, shall be eligible for RSA 79-E, provided that the cost of rehabilitation (excluding real estate acquisition, if any) equals at least 15% of existing assessed value (excluding land), or $75,000, whichever is less.

        ii. Buildings not located within the Downtown or Penacook RSA 79-E Districts can also be eligible for RSA 79-E provided that the building is listed on, or has been determined eligible for, the State or National Register of Historic Places and cost of rehabilitation (excluding real estate acquisition, if any) equals at least 25% of existing assessed value (excluding land), or $250,000, whichever is less.

    b. Replacement Projects: For projects involving the demolition and replacement of buildings, said projects might be eligible for RSA 79-E provided that the property is located in either the Downtown or Penacook Village RSA 79-E Districts; meets project 15% assessed value or $75,000 cost thresholds; and, the property does not possess significant historical, cultural, or architectural value.

2. Tax relief is only granted on the value of the new improvements. For the duration of the tax relief period, the pre-improved assessed value of the property is subject to adjustment due to market appreciation or depreciation.

3. The tax relief period may be up to five (5) years for qualifying projects; however, this period can be extended as follows:
    a. Two (2) additional years for projects that create new housing;
    b. Four (4) years for projects that create affordable housing;
    c. Four (4) years for projects that renovate properties listed on, or which are eligible for, the State or National Register of Historic Places, provided that rehabilitation complies with the U.S. Secretary of the Interior's Standards for Rehabilitation.

4. Applications are reviewed by City Council. As part of their review process, City Council must hold a public hearing and determine whether the property qualifies for the program; that a public benefit for the tax relief will result from the project; and, determine the duration of the tax relief period.

5. If approved by City Council, the tax relief period shall commence on the initial April 1st following substantial completion of the improvements, as determined by the City in its sole discretion.

6. To assist City Council with the review of applications, applicants are required to provide detailed information about their financing package for the project, including a statement of sources and uses (i.e. Project Budget), as well as a financial pro forma.

7. Should an application be granted by City Council, the property owner is required to grant to the City a protective covenant to insure the property is maintained and used for the purposes set forth in the application. The duration of the covenant shall be twice the amount of tax relief granted by the City. Violation of the covenant will result in the loss of RSA 79-E incentives, and require the property owner to repay all property taxes on the value of the improvements which would have otherwise been owed during the term of the tax relief period.

8. The tax relief incentive runs with the land and shall accrue to future property owners if the property is sold during the incentive period, provided that the property is maintained in accordance with the terms and conditions of the protective covenant.

9. Properties located within Tax Increment Finance Districts or which receive State or Federal funds, might be ineligible for this program. See RSA 79-E:4,VI and 79-E:14.

10. Affordable housing developments which elect to have their assessed valuation and payment of property taxes determined under the provisions of RSA 75-1:a are ineligible for RSA 79-E. See RSA 79-E:5,I.

11. The decision to award a RSA 79-E Community Tax Relief Incentive is within the sole discretion of City Council. If your application is denied, City Council's decision may be appealed either to the Board of Tax and Land Appeals or the Merrimack County Superior Court, in the same manner as provided for appeals of current use classification, pursuant to RSA 79-A:9 or 79-A:11, provided, however, that such denial shall be deemed discretionary and shall not be set aside by the Board of Tax and Land Appeals or the Superior Court except for bad faith or discrimination.

12. An owner / applicant shall not begin their project, including demolition or site preparation, until: 1) City Council has held a public hearing and granted the application, and 2) the protective covenant has been granted to the City and recorded at the Merrimack County Registry of Deeds. Individuals who commence their projects prior to securing these items may be ineligible to participate in the RSA 79-E Program.

13. For those applicants whose financing plan for their project relies upon third party financing that is contingent upon securing RSA 79-E tax relief incentives from the City, those applicants shall not close on said financing until City Council takes action upon their application.

In accordance with RSA 79-E:4,II, the City has up to 60 days to hold a public hearing upon receipt of a complete application. A complete application includes all fees, forms, exhibits, and supporting information as required herein. City Council then has up to 45 days to act upon the application after the public hearing.

Thank you for your interest in this program. Please contact me by phone at 603-225-8570 or by email at mwalsh@concordnh.gov prior to completing your application so we may review the specifics of your project prior to moving forward.

CITY OF CONCORD

Administration

41 Green Street • Concord, NH 03301 • (603) 225-8570

www.concordnh.gov

RSA 79-E COMMUNITY REVITALIZATION TAX RELIEF INCENTIVE APPLICATION

Revised August 2018

PART 1: INSTRUCTIONS

PLEASE PRINT CLEARLY. Please complete this application, sign, and return to the City Manager's Office, together with application fee and all related documents as required herein. Please submit a separate application, including application fee, for each property. Should you have questions about this application, please call 603-225-8570 for more information.

PART 2: APPLICANT'S INFORMATION

1. Date: _____
2. Applicant's Name: _____
   First *Last*
3. Applicant's Company (if Applicable): _____
4. Applicant's Mailing Address: _____

   Suite / Apt. #: _____ State: _____ Zip Code: _____
5. Applicant's Phone #: _____ Cell Phone #: _____
6. Applicant's Email Address: _____

PART 3: PROPERTY INFORMATION

1. Address: _____
2. Building Name (if applicable): _____
3. Property Owner's Name: _____
   First *Last*
4. Owner's Company (if Applicable): _____
5. Owner's Mailing Address: _____

   Suite / Apt. #: _____ State: _____ Zip Code: _____
6. Owner's Phone #: _____ Cell Phone #: _____
7. Owner's Email Address: _____

8. Deed (Merrimack County Registry of Deeds): Book:_____ Page:_____

9. City Assessing Parcel Number: Map:_____ Block:_____ Lot:_____

10. Current Assessed Value: Land:_____ Building:_____

11. Year Built:_____

12. Gross Building Square Footage:_____

13. Is the Property eligible for, or has it been listed on, the State or National Register of Historic Places, either individually or as part of an existing or potential State or National Register District? A listing of historic resources is included in **Exhibit 6**.

☐ Yes. If so, please attach the Historic Inventory Form for the property to this application.

☐ No

☐ Uncertain

14. Is the Property located within the City's locally designated Historic District? (A map of the City's locally designated Historic District is included in **Exhibit 6**)

☐ Yes

☐ No

15. Is the Property located in a City designated RSA 79-E District? (Please see maps in **Exhibit 1**)

☐ Yes. If so, please select one: Downtown 79-E District:_____ Penacook 79-E District:_____

☐ No. Buildings not located within the Downtown or Penacook RSA 79-E Districts may also be eligible for RSA 79-E provided that the building is listed on, or has been determined eligible for, the State or National Register of Historic Places and cost of rehabilitation (excluding real estate acquisition, if any) equals at least 25% of existing assessed value (excluding land), or $250,000, whichever is less.

16. Is the property located in a Tax Increment Finance District? (Please see maps in **Exhibit 2**)

☐ Yes. Please identify and select one of the following:

☐ Sears Block TIF ☐ North End Opportunity Corridor TIF District ☐ Penacook Village TIF

☐ No

17. Are residential units currently located at the property?

☐ Yes. How many:_____

☐ No

18. Has the property been destroyed by fire or act of nature?

☐ Yes. Please describe and provide date:_____

☐ No

PART 4: PROJECT DESCRIPTION

1. Please briefly describe your project. Attach additional pages if needed:_____

_____

_____

_____

_____

_____

2. Please complete the table below regarding existing and proposed land uses by square footage for the property / project.

Use	Existing Square Footage	Proposed Square Footage
Residential		
Retail		
Restaurant		
Office		
Industrial		
Other		
TOTAL		

3. Project schedule:
   a. What is the scheduled start date?_____
   b. What is the scheduled completion date?_____
4. Have you applied for / secured any development permits for this project:
   ☐ Yes. Please describe:_____
   ☐ No
5. Does your project involve demolition and replacement of an existing building?

☐ Yes. If your building is 50 years of age or older, please attach a completed New Hampshire Division of Historic Resources Individual Resource Inventory Form, prepared by a qualified architectural historian for the subject property. In accordance with RSA 79-E:4,I-a, your application will also be reviewed by the City's Heritage Commission. City Council may not hold a public hearing on your application until: 1) said Historic Inventory Form is provided; and, 2) the Heritage Commission's review is complete. Projects which involve the demolition of structures that possess significant historical, cultural, or architectural value are not eligible for RSA 79-E incentives.

☐ No

6. For projects involving rehabilitation of historic buildings, do you plan to complete the renovation in accordance with the U.S. Secretary of the Interior's Standards for Rehabilitation?

   ☐ Yes. Please attach a narrative describing how your project shall comply with these standards. Please confirm that you have engaged a qualified architectural historian or preservation consultant for this project. Also, please be advised that improvements must be reviewed and approved by the NH Division of Historical Resources, at the applicant's expense, prior to start of the project, as well as at the time of project completion. Please confirm that rehabilitation shall include energy efficiency improvements valued at 10% of the pre-rehabilitation assessed value of the property or $5,000, whichever is less, per RSA 79-E:2,IV.

   ☐ No

7. Will your project feature energy efficiency improvements?

   ☐ Yes. Please provide description and estimated cost:_____

   ☐ No

8. Will your project involve the creation of new housing units?

   ☐ Yes. Please answer the following questions:

      a. How many new units will be created?_____

      b. What types of units are proposed (condo, apartment, other)?_____

   ☐ No

9. Will your project involve the creation of new affordable housing units?

   ☐ Yes. Please answer the following questions:

      a. Please describe affordable housing restrictions to be placed on the property: _____

      _____

      b. Does this property currently receive, or do you intend to seek, an RSA 75:1-a assessment for this property? Yes:_____ No:_____

   ☐ No

10. Please identify which of the following public benefits you believe your project achieves in accordance with RSA 79-E:7:

   ☐ Project enhances the economic vitality of the downtown Concord or Penacook Village;

   ☐ Project enhances and improves a structure that is culturally or historically important on a local, regional, state, or national level, either independently or within the context of an historic district, town center, or village center in which the building is located;

   ☐ Project promotes the preservation and reuse of existing building stock throughout a municipality by the rehabilitation of historic structures, thereby conserving the embodied energy in accordance with energy efficiency guidelines established by the U.S. Secretary of the Interior's Standards for Rehabilitation.

   ☐ Project promotes development of municipal centers, providing for efficiency, safety, and a greater sense of community, consistent with RSA 9-B (NH Smart Growth Policy); or,

   ☐ Project increases residential housing in urban or town centers.

PART 5: PROJECT BUDGET & FINANCING

1. How many years of tax relief are you seeking?_____
2. Have you secured a financing commitment for this project?

   ☐ Yes. If yes, please provide the following information:

   a. Name of Lender:_____
   b. Amount of Loan:_____
   c. Interest Rate:_____
   d. Term (Years):_____
   e. Is the commitment contingent upon RSA 79-E?:_____

   ☐ No

   ☐ Not applicable

3. Does the project's financing plan rely on the use of any State or Federal grants or tax credits?

   ☐ Yes. If so, please:

   a. Identify which program(s) you intend to use, the total amount of credits, and the cash value of credits when monetized: _____

   _____

   _____

   b. Please attach a narrative to this application describing these programs and include such information as the anticipated schedule for funding cycles, copies of applications for said funds (if you have already filed), and any other pertinent information about said programs relative to your project.

   ☐ No

4. Statement of Sources & Uses (Project Budget): Please complete the attached form titled "Project Sources & Uses" included in **Exhibit 3** of this application. You may customize the sources and uses for your specific project as appropriate; however, all items in **Exhibit 3** must be explicitly provided. Please attach any supporting information currently available for your project, such as estimates / bids from contractors, construction contracts, building plans, site plans, sketches, renderings or photographs that would help explain your project.

5. Pro Forma: Please complete the attached forms in **Exhibit 4** of this application. Electronic copies of the pro forma template are available upon request. The forms in **Exhibit 4** contemplate a residential or mixed use rental project which will be held by a developer for the duration of the RSA 79-E period. You may customize the pro forma for your specific project as appropriate; however, the pro forma must explicitly contain all items in **Exhibit 4**. Please contact the City to discuss modifications to the pro forma in the event your project features the sale of real estate during the RSA 79-E tax relief period. When preparing your pro forma, please model a scenario which accounts for your projected increased assessed value after the completion of your proposed project **without RSA 79-E**. Please provide both paper and electronic copies of your pro forma. Electronic copies shall be in MS Excel and unprotected so the City may manipulate data in spreadsheets.

PART 6: APPLICATION CHECK LIST

Please check the boxes below confirming the following documents have been attached to this application:

- ☐ Completed and signed application.
- ☐ Application Fee ($250.00). Check made payable to the City of Concord.
- ☐ Property Deed
- ☐ City Assessing Card
- ☐ Project Sources and Uses Form ("Project Budget") (**Exhibit 3**)
- ☐ Project Pro Forma (**Exhibit 4**) **(Paper and electronic copy in MS Excel are required)**
- ☐ Development plans (if available)
- ☐ Estimates / Bids for Construction, (if available)
- ☐ Historic Inventory Form (if eligible for State / National Register, or located in a State / National Register District) (if applicable)

PART 8: AFFIDAVIT AND SIGNATURE

1. I have read and understand RSA 79-E, which is attached to this application in **Exhibit 5**.
2. I certify under penalty of perjury that the information provided herein, and attached to this application, is accurate.
3. I hereby acknowledge that the application process is a public process which will include public hearings held by City Council to discuss and secure public input regarding the merits of this application, including financial need and potential public benefits associated with this project.
4. I hereby acknowledge that in accordance with RSA 79-E:4,II, the City has up to 60 days to hold a public hearing upon receipt of a complete application. A complete application includes all fees, forms, exhibits, and supporting information as required herein. I further acknowledge that the City has up to 45 days to act on this application after completion of the aforementioned public hearing (RSA 79-E:4,III).
5. I hereby understand that, in accordance with RSA 79-E:13,II, tax relief granted under the RSA 79-E Program shall only apply to improvements to the property which commence after City Council approves this application and after the applicant grants a Covenant to the City on the subject property to protect the public benefit as set forth in RSA 79-E:8. Therefore, I hereby covenant that I shall not make any improvements to the property, including demolition of any portion of the subject structure(s), until the City has acted upon this application and I have granted the protective covenant for the property. I further acknowledge that commencement of improvements prior to City Council's action on this application and granting of the protective covenant may result in the denial of this application.
6. In the event that RSA 79-E Community Revitalization Tax Relief Incentives are granted, I shall be solely responsible for the preparation of the covenant to protect the public benefit set forth in RSA 79-E:8 at my sole expense and that said covenant shall be acceptable to the City in its sole discretion.

7. I also hereby acknowledge that the City has no obligation to approve this application, and may withhold approval for any reason. In the event this application is denied, I understand that City Council's decision may be appealed either to the Board of Tax and Land Appeals or the Merrimack County Superior Court, as set forth in RSA 79-E:4, VII; however, that such denial shall be deemed discretionary and shall not be set aside by the Board of Tax and Land Appeals or the Superior Court except for bad faith or discrimination.

8. I hereby grant permission to City staff and their designees to enter onto this property for the purpose of inspecting the property in conjunction with the City's review process for this application. Said permission shall extend from the date the application is submitted until such time that construction at the property is completed, or the application is denied by the City or withdrawn by the applicant or the owner.

9. I hereby covenant that if the financing plan for this project utilizes third party financing, and said financing is contingent upon approval of this RSA 79-E application, that I shall not close on said financing until City Council takes action upon this application, or the application is withdrawn by the applicant or the owner.

Applicant's Name Printed: _____

Applicant's Signature: _____ Date:_____

Property Owner's Name Printed: _____

Property Owner's Signature: _____ Date:_____

Listing of Application Exhibits

Exhibit 1: Maps of RSA 79-E Districts

Exhibit 2: Maps of Tax Increment Finance Districts

Exhibit 3: Project Sources and Uses ("Project Budget")

Exhibit 4: Pro Forma

Exhibit 5: RSA 79-E Statute

Exhibit 6: Resource Listing for State / National Register of Historic Places and Map of City's Locally Designated Historic District

EXHIBIT 1: RSA 79-E DISTRICT MAPS

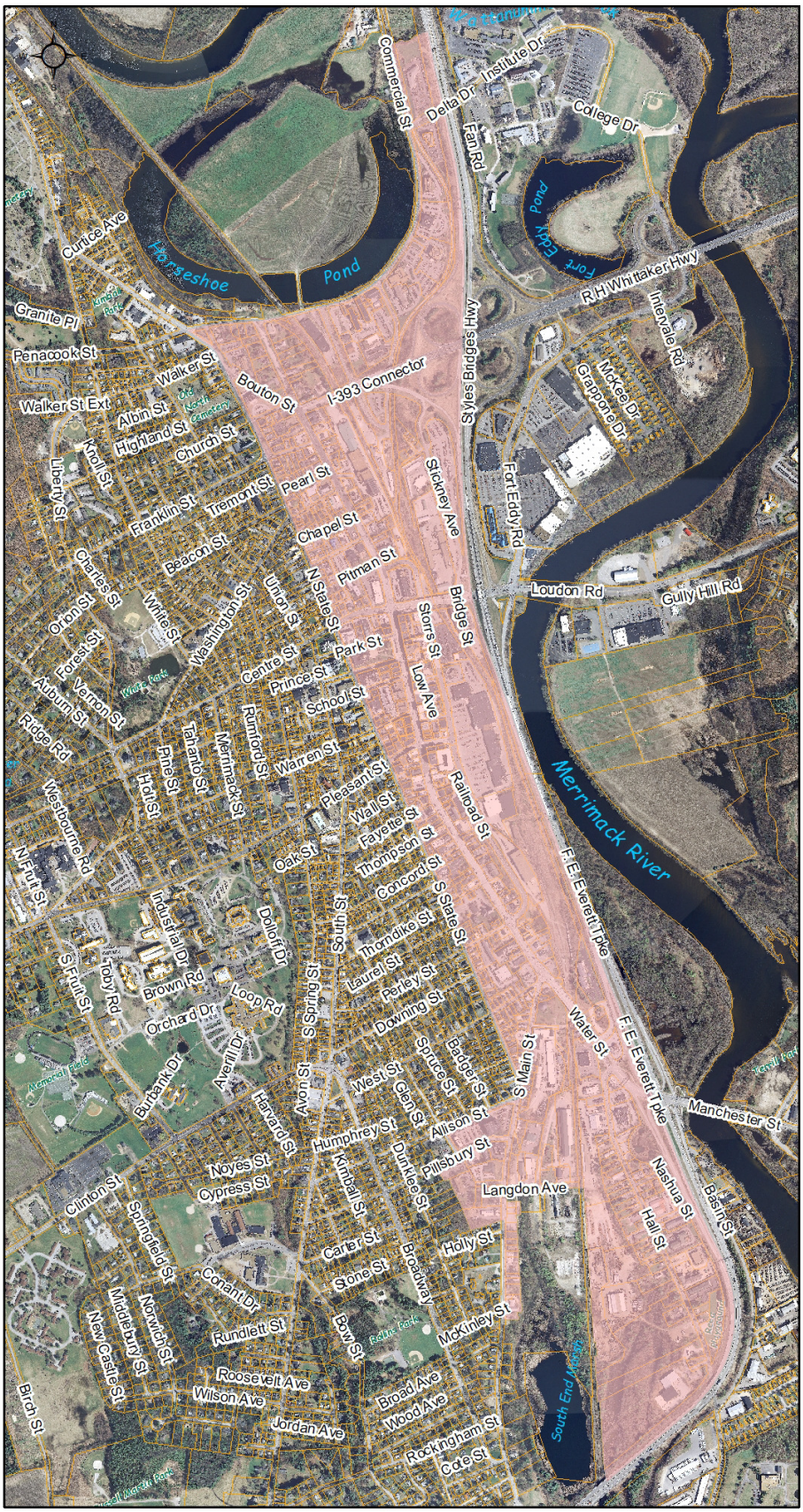
EXHIBIT 1 – DOWNTOWN RSA 79-E DISTRICT MAP

RSA 79-E

Community Revitalization
Tax Relief Incentive Map

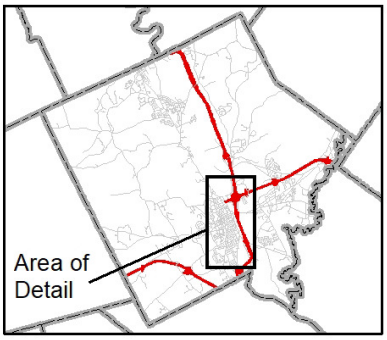
City of Concord, New Hampshire

Community Development Department



Legend

- Tax Relief Incentive District
- Parcels



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Date Produced: March 2018

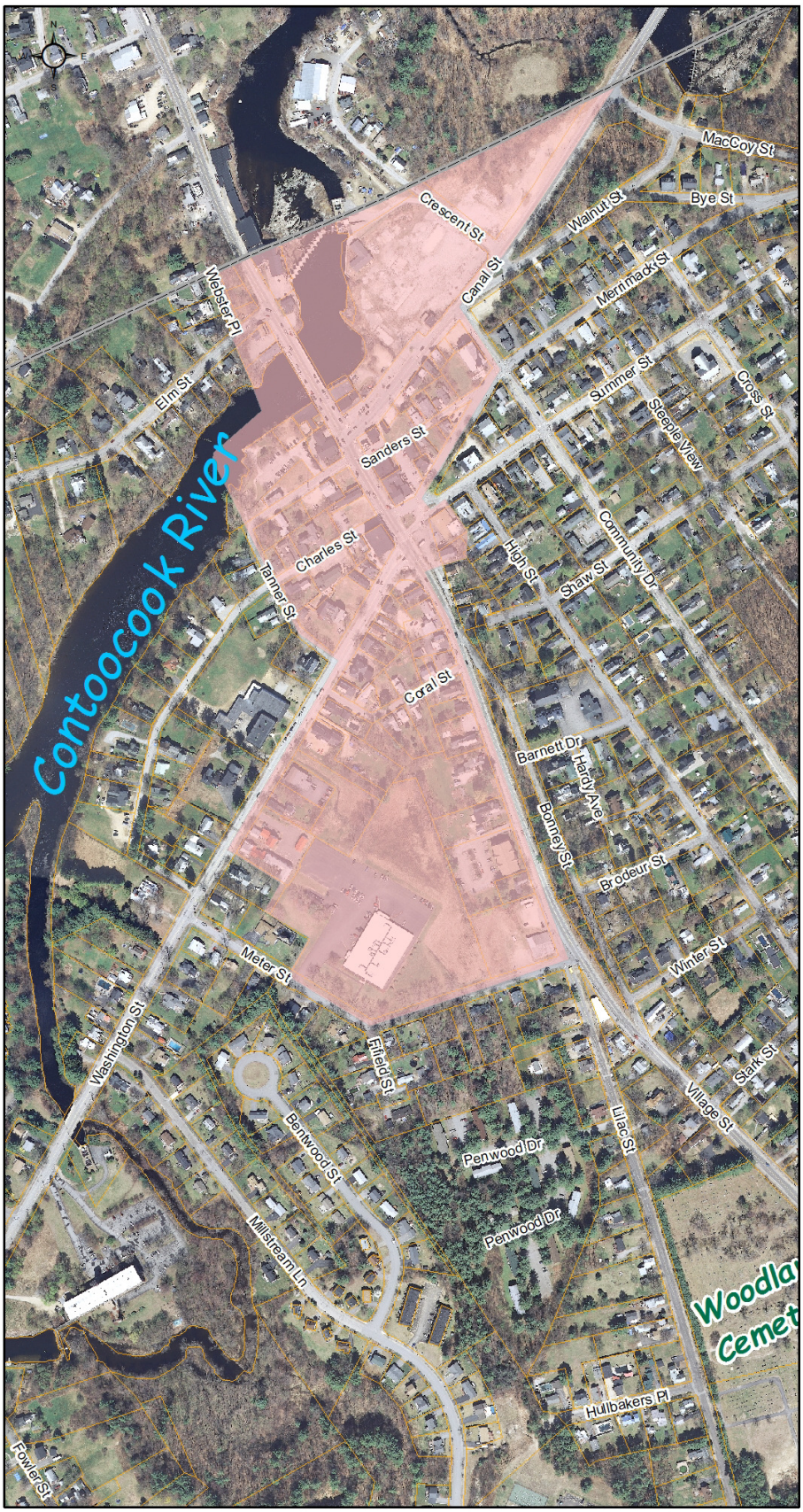
EXHIBIT 1 – PENACOOK RSA 79-E DISTRICT MAP

RSA 79-E

Community Revitalization
Tax Relief Incentive Map

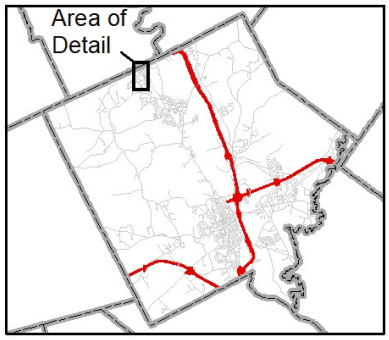
City of Concord, New Hampshire

Community Development Department



Legend

- Tax Relief Incentive District
- Parcels



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Date Produced: March 2018

EXHIBIT 2: TAX INCREMENT FINANCE DISTRICT MAPS

EXHIBIT 2 – SEARS BLOCK TIF DISTRICT MAP

Sears Block

TIF District Map

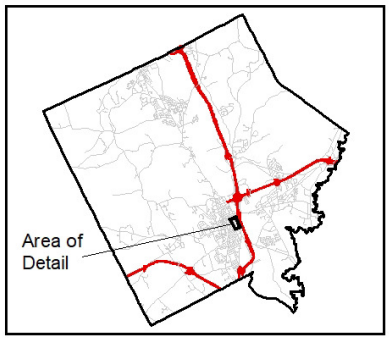
City of Concord, New Hampshire

Community Development Department

Legend

TIF District

Parcels



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Date Produced: March 2018

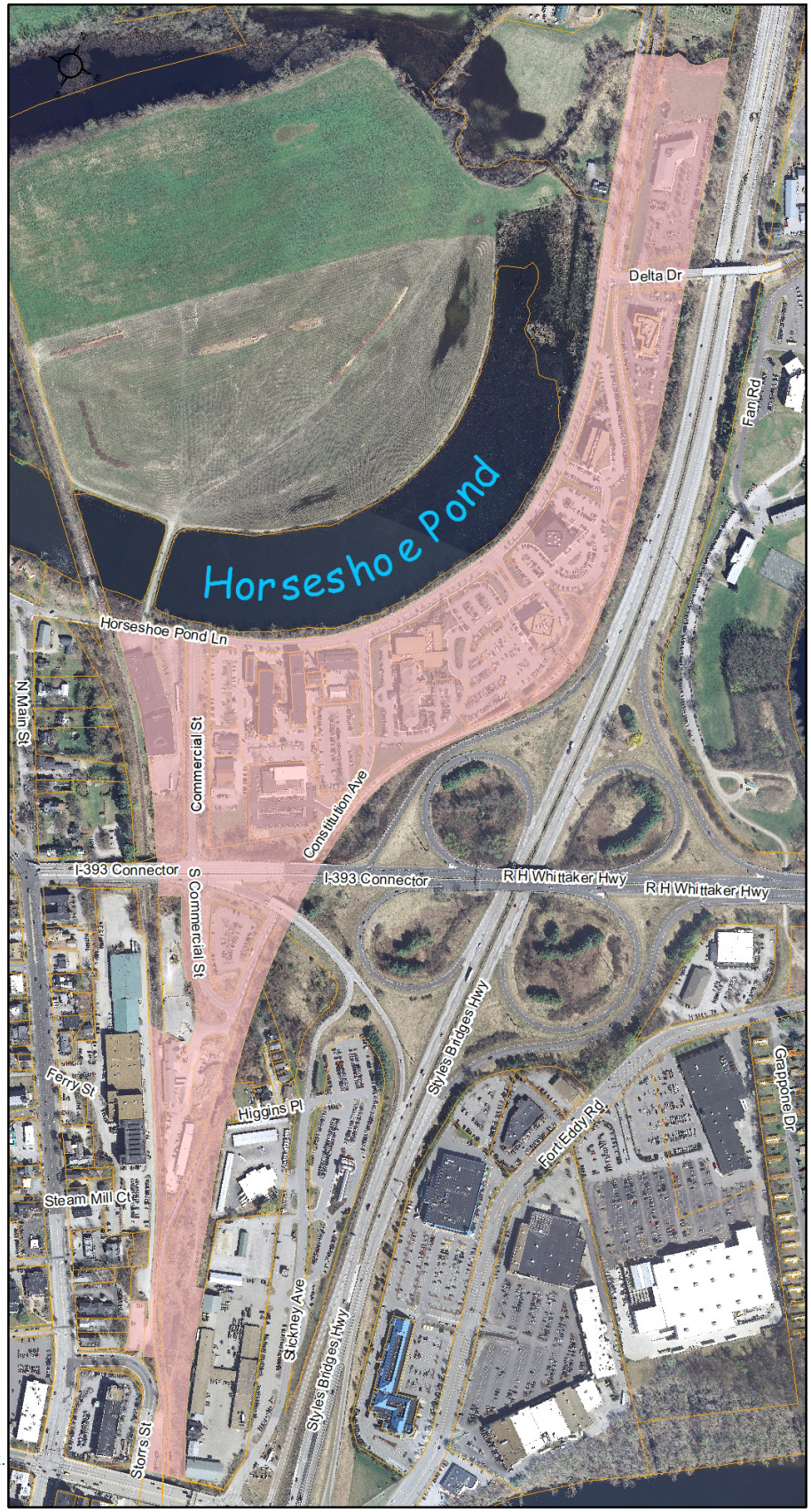
EXHIBIT 2 – NORTH END TIF DISTRICT MAP

North End

TIF District Map

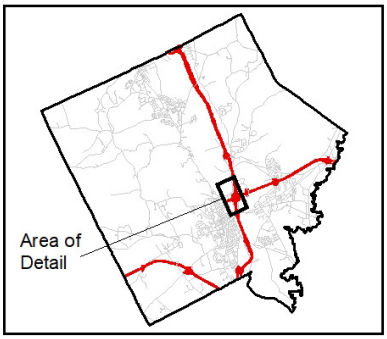
City of Concord, New Hampshire

Community Development Department



Legend

- TIF District
- Parcels



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Date Produced: March 2018

EXHIBIT 2 – PENACOOK TIF DISTRICT MAP

Penacook

TIF District Map

City of Concord, New Hampshire

Community Development Department

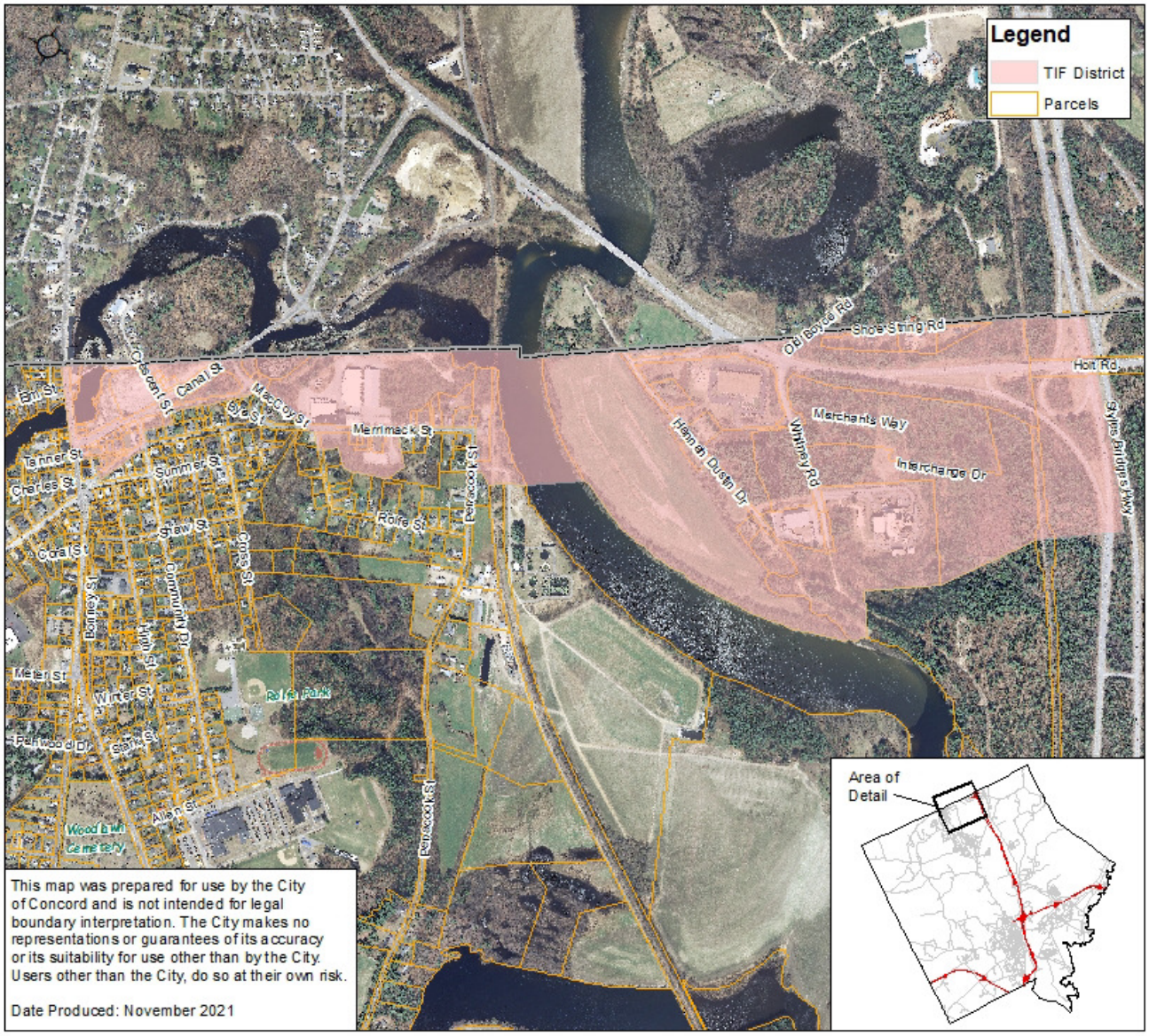


EXHIBIT 3: SOURCES AND USES (PROJECT BUDGET)

EXHIBIT 3: SOURCES & USES (PROJECT BUDGET)

A	SOURCES	AMOUNT	NOTES
a	Developer Equity		
b	Investor Equity		
c	Tax Credits (cash value when monetized)		Also, please disclose total amount of credits allocated here:
d	Grants		
e	Bank Loan		
f	Other:		
	TOTAL - SOURCES		

B	USES	AMOUNT	NOTES
1	**Soft Costs**		
a	Real Estate Appraisal		
b	Real Estate Acquisition		
c	Real Estate Closing Costs		
d	Boundary Survey		
e	A&E Fees		
f	Environmental Assessments		
g	Legal Fees		
h	Marketing / Advertising		
i	Development Permit Fees		
j	Inspections		
k	Interest Costs		
l	Bank Fees		
m	Property Insurance		
n	Real Estate Taxes		
o	Fixtures, Furnishings, Equipment		
p	Developer Fee		
q	Other:		
	Subtotal: Soft Costs		
2	**Hard Costs**		
a	General Conditions		
b	Environmental Abatement		
c	Demolition		
d	On-site Improvements		
e	Off-site Improvements		
f	Renovations		
g	New Construction		
h	Contractor Fee		
i	Project Management Fees		
j	Construction Contingency		
k	Other:		
l	***Subtotal: Hard Costs***		
	TOTAL - USES		

EXHIBIT 4: PRO FORMA

EXHIBIT 4 – PRO FORMA WITHOUT RSA 79-E
PART 1 – REVENUES

Current Assessed Value: $

Projected Assessed Value: $

Building Square Footage:

A	INCOME	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Notes
1	Residential											
2	Retail											
3	Office											
4	Restaurant											
5	Parking (if any)											
6	Storage											
7	Other											
	TOTAL GROSS INCOME											
8	Less Vacancy											
	NET REVENUES AFTER VACANCY											

EXHIBIT 4 – PRO FORMA WITHOUT RSA 79-E

PART 2 – EXPENSES

B	EXPENSE	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Notes
1	Accounting											
2	Leasing and Advertising											
3	Insurance											
4	Janitorial Service (Contracted)											
5	Landscaping / Snow Removal											
6	Legal											
7	Licenses											
8	Property Management (Contracted)											
9	Repairs / Maintenance (Contracted)											
10	Property Manager Payroll											
11	Maintenance Payroll											
12	Taxes - Real Estate (See Formula)	Formula: Projected Assessed Value / 1,000 X Current Tax Rate	Year 1 X 1.03	Year 2 X 1.03	Year 3 X 1.03	Year 4 X 1.03	Year 5 X 1.03	Year 6 X 1.03	Year 7 X 1.03	Year 8 X 1.03	Year 9 X 1.03	
13	Taxes - Personal Property											
14	Taxes - Payroll											
15	Taxes - Other											
16	Trash Removal											
17	Utilities - Electricity											
18	Utilities – Natural Gas / Fuel Oil											
19	Utilities - Sewer and Water											
20	Utilities – Phone / Internet											
21	Parking											
22	Other (Identify)											
	TOTAL OPERATING EXPENSES											

EXHIBIT 4 – PRO FORMA WITHOUT RSA 79-E
PART 3 – NET INCOME, DEBT SERVICE, DSCR

C	NET OPERATING INCOME	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Notes
1	Net Revenue Less Operating Expenses											

D	DEBT SERVICE PAYMENTS	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Notes
1	Bank Loans											
2	Other Debt											
	TOTAL DEBT SERVICE											

E	DEBT SERVICE COVERAGE RATIO (DSCR)	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Notes
1	Net Operating Income / Debt Service Payment											

EXHIBIT 5: RSA 79-E COMMUNITY REVITALIZATON TAX RELIEF INCENTIVE STATUTE

CHAPTER 79-E
COMMUNITY REVITALIZATION TAX RELIEF INCENTIVE

Section 79-E:1

79-E:1 Declaration of Public Benefit.

I. It is declared to be a public benefit to enhance downtowns and town centers with respect to economic activity, cultural and historic character, sense of community, and in-town residential uses that contribute to economic and social vitality.

II. It is further declared to be a public benefit to encourage the rehabilitation of the many underutilized structures in urban and town centers as a means of encouraging growth of economic, residential, and municipal uses in a more compact pattern, in accordance with RSA 9-B.

II-a. In instances where a qualifying structure is determined to possess no significant historical, cultural, or architectural value and for which the governing body makes a specific finding that rehabilitation would not achieve one or more of the public benefits established in RSA 79-E:7 to the same degree as the replacement of the underutilized structure with a new structure, the tax relief incentives provided under this chapter may be extended to the replacement of an underutilized structure in accordance with the provisions of this chapter.

II-b. It is further declared to be a public benefit to encourage the rehabilitation of historic structures in a municipality by increasing energy efficiency in the preservation and reuse of existing building stock.

III. Short-term property assessment tax relief and a related covenant to protect public benefit as provided under this chapter are considered to provide a demonstrated public benefit if they encourage substantial rehabilitation and use of qualifying structures, or in certain cases, the replacement of a qualifying structure, as defined in this chapter.

Source. 2006, 167:1. 2009, 200:3, 4, eff. July 15, 2009. 2013, 78:1, eff. April 1, 2013.

Section 79-E:2

79-E:2 Definitions.

In this chapter:

I. "Historic structure" means a building that is listed on or determined eligible for listing on the National Register of Historic Places or the state register of historic places.

II. "Qualifying structure" means a building located in a district officially designated in a municipality's master plan, or by zoning ordinance, as a downtown, town center, central business district, or village center, or, where no such designation has been made, in a geographic area which, as a result of its compact development patterns and uses, is identified by the governing body as the downtown, town center, or village center for purposes of this chapter. Qualifying structure shall also mean historic structures in a municipality whose preservation and reuse would conserve the embodied energy in existing building stock. Cities or towns may further limit "qualifying structure" according to the procedure in RSA 79-E:3 as meaning only a structure located within such districts that meet certain age, occupancy, condition, size, or other similar criteria consistent with local economic conditions, community character, and local planning and development goals. Cities or towns may further modify "qualifying structure" to include buildings that have been destroyed by fire or act of nature, including where such destruction occurred within 15 years prior to the adoption of the provisions of this chapter by the city or town. In a city or town that has adopted the provisions of RSA 79-E:4-a, "qualifying structure" also means potentially impacted structures identified by the municipality within the coastal resilience incentive zone established under RSA 79-E:4-a.

III. "Replacement" means the demolition or removal of a qualifying structure and the construction of a new structure on the same lot.

IV. "Substantial rehabilitation" means rehabilitation of a qualifying structure which costs at least 15

percent of the pre-rehabilitation assessed valuation or at least $75,000, whichever is less. In addition, in the case of historic structures, substantial rehabilitation means devoting a portion of the total cost, in the amount of at least 10 percent of the pre-rehabilitation assessed valuation or at least $5,000, whichever is less, to energy efficiency in accordance with the U.S. Secretary of the Interior's Standards for Rehabilitation. Cities or towns may further limit "substantial rehabilitation" according to the procedure in RSA 79-E:3 as meaning rehabilitation which costs a percentage greater than 15 percent of pre-rehabilitation assessed valuation or an amount greater than $75,000 based on local economic conditions, community character, and local planning and development goals.
V. "Tax increment finance district" means any district established in accordance with the provisions of RSA 162-K.
VI. "Tax relief" means:
(a) For a qualifying structure, that for a period of time determined by a local governing body in accordance with this chapter, the property tax on a qualifying structure shall not increase as a result of the substantial rehabilitation thereof.
(b) For the replacement of a qualifying structure, that for a period of time determined by a local governing body in accordance with this chapter, the property tax on a replacement structure shall not exceed the property tax on the replaced qualifying structure as a result of the replacement thereof.
(c) For a qualifying structure which is a building destroyed by fire or act of nature, that for a period of time determined by a local governing body in accordance with this chapter, the property tax on such qualifying structure shall not exceed the tax on the assessed value of the structure that would have existed had the structure not been destroyed.
VII. "Tax relief period" means the finite period of time during which the tax relief will be effective, as determined by a local governing body pursuant to RSA 79-E:5.

Source. 2006, 167:1. 2009, 200:5-7. 2010, 329:1, 2. 2011, 237:1, 2, eff. July 5, 2011. 2013, 78:2, eff. April 1, 2013. 2017, 203:2, eff. Sept. 3, 2017.

Section 79-E:3

79-E:3 Adoption of Community Revitalization Tax Relief Incentive Program.

I. Any city or town may adopt or modify the provisions of this chapter by voting whether to accept for consideration or modify requirements for requests for community revitalization tax relief incentives. Any city or town may do so by following the procedures in this section.
II. In a town, other than a town that has adopted a charter pursuant to RSA 49-D, the question shall be placed on the warrant of a special or annual town meeting, by the governing body or by petition under RSA 39:3.
III. In a city or town that has adopted a charter under RSA 49-C or RSA 49-D, the legislative body may consider and act upon the question in accordance with its normal procedures for passage of resolutions, ordinances, and other legislation. In the alternative, the legislative body of such municipality may vote to place the question on the official ballot for any regular municipal election.
IV. If a majority of those voting on the question vote "yes," applications for community revitalization tax relief incentives may be accepted and considered by the local governing body at any time thereafter, subject to the provisions of paragraph VI of this section.
V. If the question is not approved, the question may later be voted on according to the provisions of paragraph II or III of this section, whichever applies.
VI. The local governing body of any town or city that has adopted this program may consider rescinding its action in the manner described in paragraph II or III of this section, whichever applies. A vote terminating the acceptance and consideration of such applications shall have no effect on incentives previously granted by the city or town, nor shall it terminate consideration of applications submitted prior to the date of such vote.

Source. 2006, 167:1. 2010, 329:3, eff. July 20, 2010.

Section 79-E:4

79-E:4 Community Revitalization Tax Relief Incentive.

I. An owner of a qualifying structure who intends to substantially rehabilitate or replace such structure may apply to the governing body of the municipality in which the property is located for tax relief. The applicant shall include the address of the property, a description of the intended rehabilitation or replacement, any changes in use of the property resulting from the rehabilitation or replacement, and an application fee.

I-a. In order to assist the governing body with the review and evaluation of an application for replacement of a qualifying structure, an owner shall submit to the governing body as part of the application, a New Hampshire division of historical resources individual resource inventory form, prepared by a qualified architectural historian and a letter issued by the local heritage commission and if the qualifying structure is located within a designated historic district established in accordance with RSA 674:46, a letter from the historic district commission or, if such local commissions are not established, a letter issued by the New Hampshire division of historical resources that identifies any and all historical, cultural, and architectural value of the structure or structures that are proposed to be replaced and the property on which those structures are located. The application for tax relief shall not be deemed to be complete and the governing body shall not schedule the public hearing on the application for replacement of a qualifying structure as required under RSA 79-E:4, II until the inventory form and the letter, as well as all other required information, have been submitted.

II. Upon receipt of an application, the governing body shall hold a duly noticed public hearing to take place no later than 60 days from receipt of the application, to determine whether the structure at issue is a qualifying structure; whether any proposed rehabilitation qualifies as substantial rehabilitation; and whether there is a public benefit to granting the requested tax relief and, if so, for what duration.

III. No later than 45 days after the public hearing, the governing body shall render a decision granting or denying the requested tax relief and, if so granting, establishing the tax relief period.

IV. (a) The governing body may grant the tax relief, provided:

(1) The governing body finds a public benefit under RSA 79-E:7; and

(2) The specific public benefit is preserved through a covenant under RSA 79-E:8; and

(3) The governing body finds that the proposed use is consistent with the municipality's master plan or development regulations; and

(4) In the case of a replacement, the governing body specifically finds that the local heritage commission or historic district commission or, if such local commissions are not established, the New Hampshire division of historical resources has determined that the replaced qualifying structure does not possess significant historical, cultural, or architectural value, the replacement of the qualifying structure will achieve one or more of the public benefits identified in RSA 79-E:7 to a greater degree than the renovation of the underutilized structure, and the historical, cultural, or architectural resources in the community will not be adversely affected by the replacement. In connection with these findings, the governing body may request that the division of historical resources conduct a technical evaluation in order to satisfy the governing body that historical resources will not be adversely affected.

(b) If the governing body grants the tax relief, the governing body shall identify the specific public benefit achieved under RSA 79-E:7, and shall determine the precise terms and duration of the covenant to preserve the public benefit under RSA 79-E:8.

V. If the governing body, in its discretion, denies the application for tax relief, such denial shall be accompanied by a written explanation. The governing body's decision may be appealed either to the board of tax and land appeals or the superior court in the same manner as provided for appeals of current use classification pursuant to RSA 79-A:9 or 79-A:11 provided, however, that such denial shall be deemed discretionary and shall not be set aside by the board of tax and land appeals or the superior court except for bad faith or discrimination.

VI. Municipalities shall have no obligation to grant an application for tax relief for properties located

within tax increment finance districts when the governing body determines, in its sole discretion, that the granting of tax relief will impede, reduce, or negatively affect:
(a) The development program or financing plans for such tax increment finance districts; or
(b) The ability to satisfy or expedite repayment of debt service obligations incurred for a tax increment financing district; or
(c) The ability to satisfy program administration, operating, or maintenance expenses within a tax increment financing district.

Source. 2006, 167:1. 2009, 200:8-11, eff. July 15, 2009.

Section 79-E:4-a

79-E:4-a Coastal Resilience Incentive Zone.

I. A city or town may adopt the provisions of this section by vote of its legislative body, according to the procedures described in RSA 79-E:3, to establish a coastal resilience incentive zone (CRIZ). Municipalities may use storm surge, sea-level rise, and extreme precipitation projections in the 2016 report of the New Hampshire Coastal Risk and Hazards Commission, "Preparing New Hampshire for Projected Storm Surge, Sea-Level Rise, and Extreme Precipitation," and its successor projections, to identify potentially impacted structures.
II. The municipality implementing a CRIZ shall determine the resilience measures it deems qualifying, such as, but not limited to, elevation and free-board renovations, elevation of mechanicals, construction of resilient natural features, enhancement or creation of tidal marshes, elevation of private driveways and sidewalks, construction or enlargement of private culverts and other structures to enable increased water flow and storm-surge, and movement of property to higher elevation on the property or to a newly acquired property at a higher elevation within the municipality. Municipalities may grant tax relief to the qualifying structure and property as described in RSA 79-E:4.
III. Municipalities may provide other relief to properties in a coastal resilience incentive zone that are subject to repeated inundation, by acquiring preservation or water control easements or establishing tax increment financing districts.
IV. Municipalities may create a nonlapsing CRIZ fund as a capital reserve fund under RSA 34 or RSA 35, or a town-created trust fund under RSA 31:19-a, to provide funding for projected municipal costs associated with projected storm surge, sea-level rise, and extreme precipitation, and such funds may be used to support the coastal resilience incentive zone purpose established in this section.

Source. 2017, 203:3, eff. Sept. 3, 2017.

Section 79-E:5

79-E:5 Duration of Tax Relief Period.

I. The governing body may grant such tax assessment relief for a period of up to 5 years, beginning with the completion of the substantial rehabilitation.
I-a. For the approval of a replacement of a qualifying structure, the governing body may grant such tax assessment relief for a period of up to 5 years, beginning only upon the completion of construction of the replacement structure. The governing body may, in its discretion, extend such additional years of tax relief as provided for under this section, provided that no such additional years of tax relief may be provided prior to the completion of construction of the replacement structure. The municipal tax assessment of the replacement structure and the property on which it is located shall not increase or decrease in the period between the approval by the governing body of tax relief for the replacement structure and the time the owner completes construction of the replacement structure and grants to the municipality the covenant to protect the public benefit as required by this chapter. The governing body may not grant any tax assessment relief under this chapter with respect to property and structures for which an election has been made for property appraisal under RSA 75:1-a.
II. The governing body may, in its discretion, add up to an additional 2 years of tax relief for a project

that results in new residential units and up to 4 years for a project that includes affordable housing.
III. The governing body may, in its discretion, add up to an additional 4 years of tax relief for the substantial rehabilitation of a qualifying structure that is listed on or determined eligible for listing on the National Register of Historic Places, state register of historic places, or is located within and important to a locally designated historic district, provided that the substantial rehabilitation is conducted in accordance with the U.S. Secretary of Interior's Standards for Rehabilitation.
IV. The governing body may adopt local guidelines to assist it in determining the appropriate duration of the tax assessment relief period.

Source. 2006, 167:1. 2009, 200:12. 2010, 329:4, eff. July 20, 2010.

Section 79-E:6

79-E:6 Resumption of Full Tax Liability.

Upon expiration of the tax relief period, the property shall be taxed at its market value in accordance with RSA 75:1.

Source. 2006, 167:1, eff. April 1, 2006.

Section 79-E:7

79-E:7 Public Benefit.

In order to qualify for tax relief under this chapter, the proposed substantial rehabilitation must provide at least one of the public benefits, and the proposed replacement must provide one or more of the public benefits to a greater degree than would a substantial rehabilitation of the same qualifying structure, as follows:
I. It enhances the economic vitality of the downtown;
II. It enhances and improves a structure that is culturally or historically important on a local, regional, state, or national level, either independently or within the context of an historic district, town center, or village center in which the building is located;
II-a. It promotes the preservation and reuse of existing building stock throughout a municipality by the rehabilitation of historic structures, thereby conserving the embodied energy in accordance with energy efficiency guidelines established by the U.S. Secretary of the Interior's Standards for Rehabilitation.
III. It promotes development of municipal centers, providing for efficiency, safety, and a greater sense of community, consistent with RSA 9-B; or
IV. It increases residential housing in urban or town centers.

Source. 2006, 167:1. 2009, 200:13, eff. July 15, 2009. 2013, 78:3, eff. April 1, 2013.

Section 79-E:7-a

79-E:7-a Public Benefit Determinations.

Cities or towns may adopt according to the procedure in RSA 79-E:3 provisions that further define the public benefits enumerated in RSA 79-E:7 to assist the governing body in evaluating applications made under this chapter based on local economic conditions, community character, and local planning and development goals.

Source. 2010, 329:5, eff. July 20, 2010.

Section 79-E:8

79-E:8 Covenant to Protect Public Benefit.

I. Tax relief for the substantial rehabilitation or replacement of a qualifying structure shall be effective only after a property owner grants to the municipality a covenant ensuring that the structure shall be maintained and used in a manner that furthers the public benefits for which the tax relief was granted

and as otherwise provided in this chapter.
II. The covenant shall be coextensive with the tax relief period. The covenant may, if required by the governing body, be effective for a period of time up to twice the duration of the tax relief period.
III. The covenant shall include provisions requiring the property owner to obtain casualty insurance, and flood insurance if appropriate. The covenant may include, at the governing body's sole discretion, a lien against proceeds from casualty and flood insurance claims for the purpose of ensuring proper restoration or demolition or damaged structures and property. If the property owner has not begun the process of restoration, rebuilding, or demolition of such structure within one year following damage or destruction, the property owner shall be subject to the termination of provisions set forth in RSA 79-E:9, I.
IV. The local governing body shall provide for the recording of the covenant to protect public benefit with the registry of deeds. It shall be a burden upon the property and shall bind all transferees and assignees of such property.
V. The applicant shall pay any reasonable expenses incurred by the municipality in the drafting, review, and/or execution of the covenant. The applicant also shall be responsible for the cost of recording the covenant.

Source. 2006, 167:1. 2009, 200:14, eff. July 15, 2009.

Section 79-E:9

79-E:9 Termination of Covenant; Reduction of Tax Relief; Penalty.

I. If the owner fails to maintain or utilize the building according to the terms of the covenant, or fails to restore, rebuild, or demolish the structure following damage or destruction as provided in RSA 79-E:8, III, the governing body shall, after a duly noticed public hearing, determine whether and to what extent the public benefit of the rehabilitation or replacement has been diminished and shall determine whether to terminate or reduce the tax relief period in accordance with such determination. If the covenant is terminated, the governing body shall assess all taxes to the owner as though no tax relief was granted, with interest in accordance with paragraph II.
II. Any tax payment required under paragraph I shall be payable according to the following procedure:
(a) The commissioner of the department of revenue administration shall prescribe and issue forms to the local assessing officials for the payment due, which shall provide a description of the property, the market value assessment according to RSA 75:1, and the amount payable.
(b) The prescribed form shall be prepared in quadruplicate. The original, duplicate, and triplicate copy of the form shall be given to the collector of taxes for collection of the payment along with a special tax warrant authorizing the collector to collect the payment under the warrant. The quadruplicate copy of the form shall be retained by the local assessing officials for their records.
(c) Upon receipt of the special tax warrant and prescribed forms, the tax collector shall mail the duplicate copy of the tax bill to the owner responsible for the tax as the notice of payment.
(d) Payment shall be due not later than 30 days after the mailing of the bill. Interest at the rate of 18 percent per annum shall be due thereafter on any amount not paid within the 30-day period. Interest at 12 percent per annum shall be charged upon all taxes that would have been due and payable on or before December 1 of each tax year as if no tax relief had been granted.

Source. 2006, 167:1. 2009, 200:15, eff. July 15, 2009.

Section 79-E:10

79-E:10 Lien for Unpaid Taxes.

The real estate of every person shall be held for the taxes levied pursuant to RSA 79-E:9.

Source. 2006, 167:1, eff. April 1, 2006.

Section 79-E:11

79-E:11 Enforcement.

All taxes levied pursuant to RSA 79-E:9 which are not paid when due shall be collected in the same manner as provided in RSA 80.

Source. 2006, 167:1. 2007, 42:3, eff. July 20, 2007.

Section 79-E:12

79-E:12 Rulemaking.

The commissioner of the department of revenue administration may adopt rules, pursuant to RSA 541-A, relative to the payment and collection procedures under RSA 79-E:9.

Source. 2006, 167:1, eff. April 1, 2006. 2016, 85:2, eff. July 18, 2016.

Section 79-E:13

79-E:13 Extent of Tax Relief.

I. (a) Tax relief granted under this chapter shall pertain only to assessment increases attributable to the substantial rehabilitation performed under the conditions approved by the governing body and not to those increases attributable to other factors including but not limited to market forces; or

(b) Tax relief granted under this chapter shall be calculated on the value in excess of the original assessed value. Original assessed value shall mean the value of the qualifying structure assessed at the time the governing body approves the application for tax relief and the owner grants to the municipality the covenant to protect public benefit as required in this chapter, provided that for a qualifying structure which is a building destroyed by fire or act of nature, original assessed value shall mean the value as of the date of approval of the application for tax relief of the qualifying structure that would have existed had the structure not been destroyed.

II. The tax relief granted under this chapter shall only apply to substantial rehabilitation or replacement that commences after the governing body approves the application for tax relief and the owner grants to the municipality the covenant to protect the public benefit as required in this chapter, provided that in the case of a qualifying structure which is a building destroyed by fire or act of nature, and which occurred within 15 years prior to the adoption of the provisions of this chapter by the city or town, the tax relief may apply to such qualifying structure for which replacement has begun, but which has not been completed, on the date the application for relief under this chapter is approved.

Source. 2006, 167:1. 2010, 329:6. 2011, 237:3, eff. July 5, 2011.

Section 79-E:14

79-E:14 Other Programs.

The provisions of this chapter shall not apply to properties whose rehabilitation or construction is subsidized by state or federal grants or funds that do not need to be repaid totaling more than 50 percent of construction costs from state or federal programs.

Source. 2006, 167:1, eff. April 1, 2006.

EXHIBIT 6: RESOURCE LISTING FOR STATE / NATIONAL REGISTER OF HISTORIC PLACES AND MAP OF CITY'S LOCALLY DESIGNATED HISTORIC DISTRICT

EXHIBIT 6:

PART 1 – LISTING OF HISTORICT RESOURCES

1. **City of Concord:** The City has several architectural and historic surveys of Concord which identify properties or areas that are eligible for the State or National Register of Historic Places. These resources are available as follows:

    a. Online Resources: Please visit the following link for all Historic Inventories for which the City has available online: http://concordnh.gov/1107/Historic-Surveys

    b. Off-Line Resources:

        i. 1988 Concord Architectural Survey: Extensive survey which created historic inventories of properties generally focused in the South End, West End, and North End of Concord (all west of the Merrimack River).

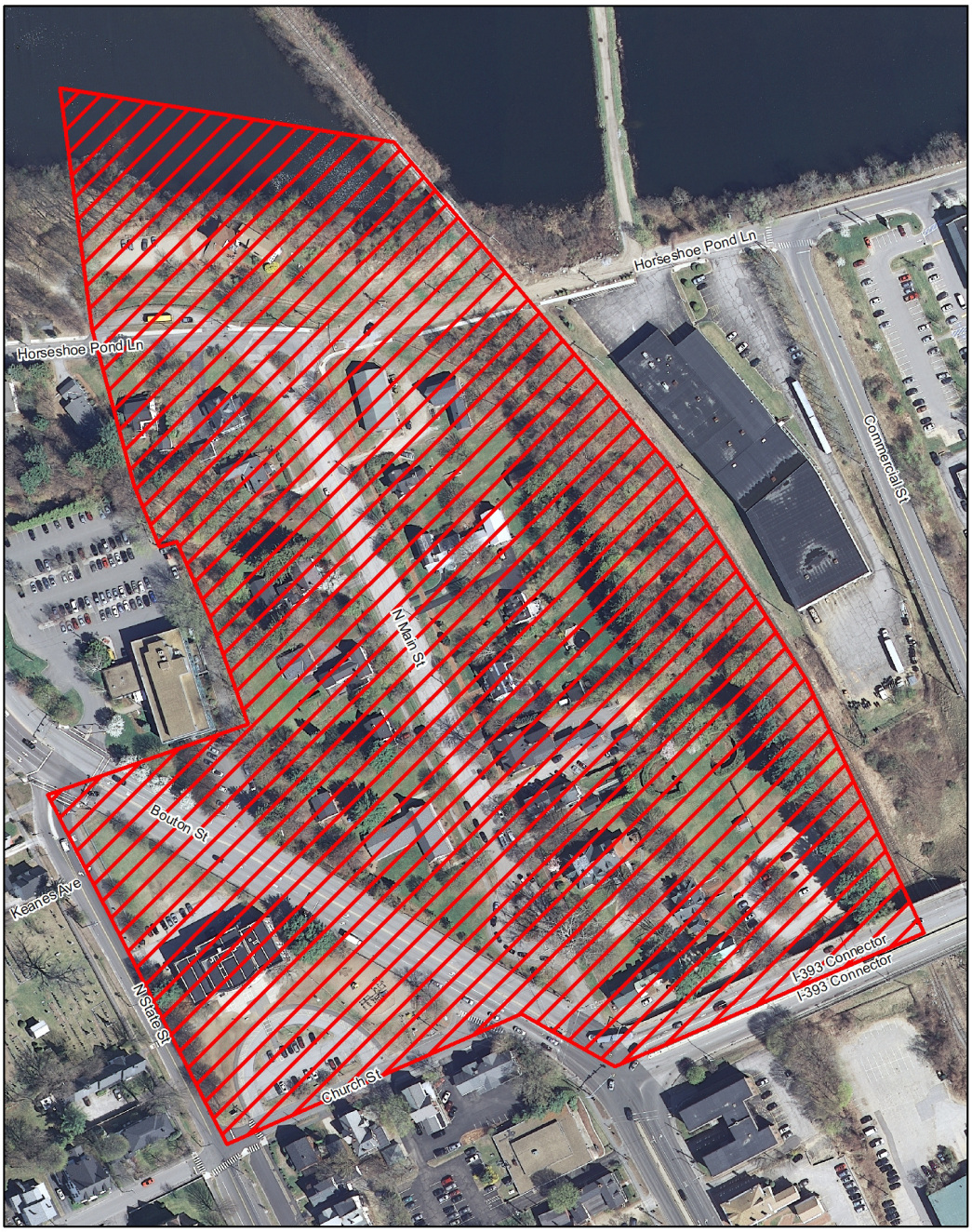
        ii. 1990/1991 Penacook Architectural Survey: Survey which created historic inventories for properties generally located between the Boscawen Town Line, Penacook Street, Rolfe Park, Woodlawn Cemetery, and Island Shores Condominiums.

        iii. 1999 Downtown Architectural Survey: Survey which created historic inventories for properties generally located between Loudon Road / Centre Street, Storrs Street, Hills Avenue, and State Street.

2. **NH Division of Historic Resources**: A listing of all properties and historic districts currently listed on the National Register is available at www.nh.gov/nhdhr/programs/nr_eligibility.htm

EXHIBIT 6:

PART 2 – MAP OF LOCALLY DESIGNATED HISTORIC DISTRICT



Concord Historic District