



Fact Sheet
NH RSA 79-E
Community Revitalization Tax Relief Incentive

This law encourages investment in downtowns and village centers with a new tax incentive modeled on existing New Hampshire statute (the so-called “Barn Bill”). Its goals are to ***encourage the rehabilitation and active use of under-utilized buildings*** and, in so doing, to

- **promote strong local economies** and,
- **promote smart, sustainable growth, as an alternative to sprawl, in accordance with the purpose and objectives of RSA Ch. 9-B** (State Economic Growth, Resource Protection, and Planning Policy).

How it works:

- In a town that has adopted the tool created by this law, a property owner who wants to substantially rehabilitate a building located downtown, or in a village center, may apply to the local governing body for a period of temporary tax relief; owners of structures listed on the National or State Registers of Historic Places may also apply.
- In certain limited circumstances, the tax relief may also be applied to the replacement of buildings, instead of rehabilitation.
- The temporary tax relief, if granted, would consist of a finite period of time during which the property tax on the structure would not increase as a result of its substantial rehabilitation. In exchange for the relief, the property owner grants a covenant ensuring there is a public benefit to the rehabilitation.
- Following expiration of the finite tax relief period, the structure would be taxed at its full market value taking into account the rehabilitation.

The legislation offers strong community process and discretion:

- Any city or town may adopt this program with the majority vote of its legislative body.
- Applications by property owners are made to the governing body and are accompanied by a public notice and public hearing.
- The governing body may grant tax relief if the application meets the guidelines and public benefit test.
- The governing body may deny the application in its discretion: “..such denial shall be deemed discretionary and shall not be set aside by the board or tax and land appeals or the superior court except for bad faith or discrimination.” (79-E:4 V)

Qualifying properties:

A property owner can apply for the tax relief only if:

- The building is located in the community’s downtown district or its equivalent (municipality may establish additional and stricter criteria for identifying qualifying structures); and
- The rehabilitation costs at least 15% of the building’s pre-rehab assessed value, or \$75,000, whichever is less (municipality may establish higher thresholds); and
- The rehabilitation is consistent with the municipality’s master plan or development regulations.

For more information, contact:

Jennifer Goodman, N.H Preservation Alliance – 603.224.2281, jg@nhpreservation.org



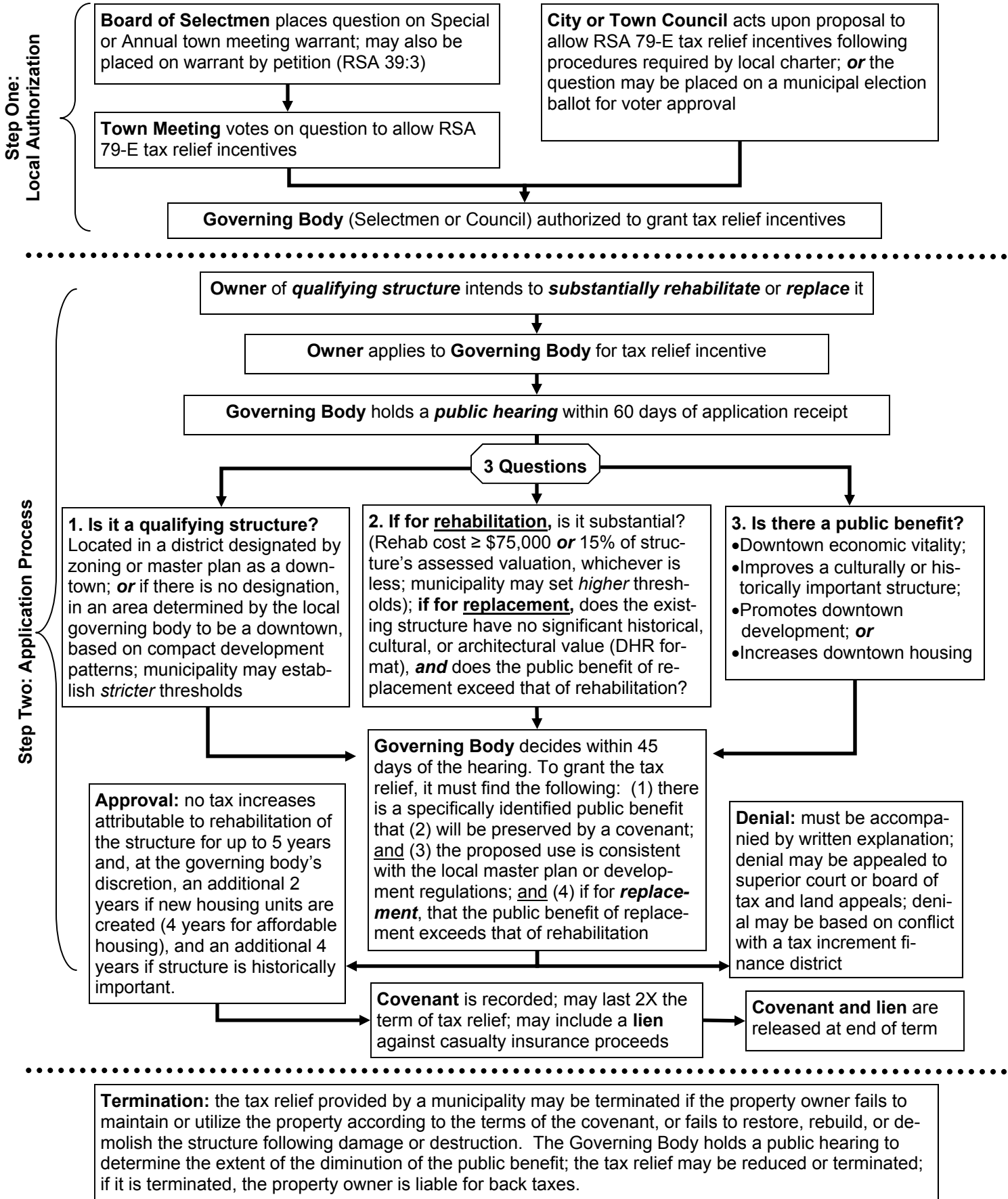
RSA 79-E: Community Revitalization Tax Relief Incentive

2009 Statute Revision: Allows for *replacement* of structures, in addition to rehabilitation; local legislative body must re-adopt the law if it wants to use this new power.

2010 Statute Revision: Allows for stricter local standards to identify “qualifying structures” and for higher local thresholds for costs of rehabilitation.

2011 Statute Revision: Allows for replacement of buildings destroyed by fire within 15 years prior to local adoption.

2013 Statute Revision: Allows statute to apply to structures listed on or eligible for the National or State Registers.





Town of Jaffrey
Application for Chapter 79-E
Community Revitalization Tax Relief
Incentive

Ch 79-E Adopted by Town Meeting June 6, 2020

Applications are filed with the Select Board. Upon receipt of an application, the Board will hold a public hearing within 60 days. You will be notified by certified mail of the hearing date.

1. At the hearing, the Select Board must make specific determinations and findings in order to grant relief. It will be your responsibility to demonstrate compliance with the criteria, listed below.
 - a. The structure must qualify by being located in either the Downtown Jaffrey National Register Historic District and/or the General Business and General Business A Districts as shown on the map dated June 6, 2020 titled Map, Jaffrey 79-E District. If you are unsure of your property's designation, either the Assessing Office or the Planning Department will help you.
 - b. The proposed rehabilitation must be substantial, which means the cost of the rehabilitation must be at least 15% of the pre-rehabilitation assessed value, or \$75,000, whichever is less.
 - c. In the case of a replacement of a qualifying structure, the application must include a NH Division of Historical Resources Individual Resource Inventory Form prepared by a qualified architectural historian and a letter from the Historic District Commission identifying any historical, cultural and architectural values of the structure(s) to be replaced.
 - d. In order to qualify for tax relief, a rehabilitation must provide at least one of the following public benefits, and a replacement must provide one or more of the public benefits to a greater degree:
 - i. Enhances the economic vitality of the Jaffrey Center or the East Jaffrey Historic District.
 - ii. Enhances or improves a structure that is culturally or historically important on a local, regional, state, or national level, either independently or within the context of the historic district in which the building is located.
 - iii. Promotes redevelopment of the Historic Districts and downtown area, providing for efficiency, safety and a greater sense of community consistent with RSA 9-B.
 - iv. Increases residential housing diversity and opportunities.
 - e. The proposed use must be consistent with the Master Plan and the Town of Jaffrey land use regulations.

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2. The Select Board will render a decision within 45 days of the public hearing. In the case of a denial, the applicant will receive written explanation. Appeal of the denial may be made to the Board of Tax and Land Appeals or the Superior Court.
 3. The tax relief that may be granted by the Select Board is in the form of an assessment freeze on the qualifying structure(s) for a period of up to five (5) years. It is the Board's decision as to the amount of the tax relief granted as well as the period of time. Additional time may be granted by the Board, as follows:
 - a. An additional two (2) years may be added for a project that results in new residential units.
 - b. An additional four (4) years may be added for a project that includes affordable housing.
 - c. An additional four (4) years may be added for a structure that is listed on or determined to be eligible for listing on the National Register of Historic Places or the NH State Register of Historic places.
-

I, the applicant or owner's duly authorized agent, agree to be fully responsible for payment of all fees, costs, and expenses incurred with respect to this application. I understand that if I am not the owner of the property named above, this application must be accompanied by a letter from the owner that authorizes me to represent the owner(s) in this application. I further grant the Select Board or its authorized agents the right to enter the premises at reasonable times, if deemed necessary by the Board in order to act on this application.

Applicant/Agent: _____

Signature: _____ Date: _____

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APPLICATION INFORMATION: Please provide all of the information requested below. You may attach additional sheets, if necessary.

Owners Name(s) and Address: _____

Telephone and email: _____

Building Name (if any/parcel ID #): _____

Building Address/Zoning District: _____

Year of Construction/Square Footage: _____

Assessed Value of the Building: _____

Is this a proposed rehabilitation or replacement? _____

Is the building eligible for or listed on the National or State Register of Historic Places? ____ Yes ____ No

If Yes, please provide a copy of the approved designation.

If Yes, will an additional four (4) years of tax relief be requested? ____ Yes ____ No

If Yes, please provide documentation that the work being done will be conducted in accordance with the U.S. Secretary of Interior's Standards for Rehabilitation.

Description of Existing Uses: _____

Is there a change of use associated with the project? ____ Yes ____ No If Yes, please describe:

Will the project result in new residential units? ____ Yes ____ No If Yes, please describe:

Will the project include affordable housing? ____ Yes ____ No If Yes, please describe:

Will any state or federal grants or funds be used in this project? ____ Yes (Amount: _____) ____ No

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If Yes, does this amount exceed 50% of the estimated costs of construction? ____ Yes ____ No

If Yes, the project is not eligible for tax relief under RSA 79-E.

If Yes, please describe any terms of repayment: _____

For a rehabilitation, please describe the work to be done and estimated cost (you may attach additional sheets if necessary):	
Structural:	\$
Electrical:	\$
Plumbing/Heating:	\$
Mechanical:	\$
Other:	\$

Please attach any written construction estimates or contracts, and any plot plans, building plans, sketches, renderings or photographs that would help explain this application.

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Declaration of Covenant

TOWN OF JAFFREY, NEW HAMPSHIRE

COVENANT TO PROTECT PUBLIC BENEFIT

Per RSA 79-E:8 (Community Revitalization Tax Relief Incentive)

I (We) _____ [name] of _____ [address], _____ (town, city, zip code) (hereinafter referred to, collectively, if appropriate, as "GRANTOR") owner(s) of _____ [property] situate at _____ [address], Jaffrey, NH (hereinafter referred to as the "PROPERTY"), for (myself/ourselves/itself) and for (my/our/it's) successors and assigns, for consideration of tax relief granted to GRANTOR by GRANTEE pursuant to the provisions of RSA 79-E, agree to the following covenants imposed by the Town of Jaffrey, (hereinafter referred to as "GRANTEE"), 10 Goodnow Street, County of Cheshire, State of New Hampshire.

These covenants are made in exchange for property tax relief granted with respect to the PROPERTY as a result of the substantial rehabilitation of the PROPERTY to be accomplished by the GRANTOR in accordance with GRANTOR proposal (specific approved scope of work is attached as "CHAPTER 79-E COMMUNITY REVITALIZATION TAX RELIEF INCENTIVE APPLICATION") approved by GRANTEE on [date of Board of Selectmen approval].

This COVENANT is to protect the public benefit in accordance with the provisions of RSA 79-E for a term of ____ [number of years] years, beginning on April first of the first tax year commencing immediately after the completion of the rehabilitation work. Notwithstanding the foregoing, the contemplated tax relief shall be null and void if the proposed rehabilitation work is not completed by March 31st _____[deadline year for completion].

The PROPERTY is designated as Tax Map [number] Lot [number] in the Town of Jaffrey. For further reference to GRANTOR'S title, see deed recorded at Book [reference], Page [reference], Cheshire County Registry of Deeds.

The GRANTEE agrees that the PROPERTY, if substantially rehabilitated in accordance with GRANTOR'S proposal approved by GRANTEE on [date of Board of Selectmen approval] provides a demonstrated public benefit in accordance with the provisions of RSA 79-E:7 inasmuch as the substantial rehabilitation of said property:

- I. Enhances the economic vitality of the Jaffrey Center or the East Jaffrey Historic District.
- II. Enhances or improves a structure that is culturally or historically important on a local, regional, state, or national level, either independently or within the context of the historic district in which the building is located.
- III. Promotes redevelopment of the Historic Districts and downtown area, providing for efficiency, safety and a greater sense of community consistent with RSA 9-B.

IV. Increases residential housing diversity and opportunities. The Town of Jaffrey Board of Selectmen held a public hearing on _____ [date of Board of Selectmen approval] and at that meeting made the following findings consistent with and required by RSA 79-E: 7 & 8.

The terms of the COVENANT which is hereby granted by the GRANTOR to the GRANTEE with respect to the above described PROPERTY are to be co-extensive with the tax relief period and are as follows:

SUMMARY OF FINDINGS.

(Insert summary of findings if desired).

GRANTOR'S COVENANTS.

REHABILITATION OF PROPERTY. The Grantor agrees to substantially rehabilitate the PROPERTY during the term of this Agreement in accordance with GRANTOR'S proposal approved by GRANTEE on _____ [date of Board of Selectmen approval]. The substantial rehabilitation contemplated by GRANTOR'S proposal approved by GRANTEE on _____ [date of Board of Selectmen approval] shall be completed by the GRANTOR on or before March 31, _____ [deadline year]. All of the work on the attached scope of work must be completed in order for the tax relief to take effect. If only some of the work on the attached scope of work is completed prior to March 31, _____ [upcoming year] or March 31, _____ [following year], then the PROPERTY shall be fully assessed for the value of that work during the tax year(s) commencing [upcoming year] and/or _____ [following year].

MAINTENANCE OF THE PROPERTY. The GRANTOR agrees to maintain, use and keep the structure in a condition that furthers the public benefits for which the tax relief was granted and accepted during the term of the tax relief under RSA 79-E.

(Insert any particular restrictions such a signage, maintenance of building and its surroundings, other structure and so forth, as may be agreed upon between the Grantor and Grantee.)

REQUIRED INSURANCE, USE OF INSURANCE PROCEEDS, AND TIMEFRAME TO REPLACE OR REMOVE DAMAGED PROPERTY. The GRANTOR agrees and is required to obtain and maintain casualty insurance, as well as flood insurance, if appropriate. As permitted by RSA 79-E:8, this COVENANT shall be a lien against proceeds from casualty and flood insurance claims for the purpose of ensuring proper restoration or demolition or damaged structures and property. The GRANTEE further requires that the restoration or demolition commence within one year

following any insurance claim incident; otherwise the GRANTOR shall be subject to the termination provisions set forth in RSA 79-E:9, I.

RECORDING. The GRANTEE agrees to and shall provide for the recording of this COVENANT with the Cheshire County Registry of Deeds. It shall be a burden upon the PROPERTY and bind all transferees and assignees of such PROPERTY. The GRANTOR will be solely responsible for payment of the recording fees.

ASSESSMENT OF THE PROPERTY. The GRANTEE agrees that the PROPERTY shall be assessed, during the term of the Tax Relief Granted based on the pre-rehabilitation value or such other value utilized by the Assessor to address improvements not covered by RSA 79-E. If the terms of these covenants are not met, the Property Tax Relief will be discontinued. Furthermore, the GRANTEE will assess all taxes to the owner as though no tax relief was granted, with interest in accordance with RSA 79-E:9, II.

RELEASE, EXPIRATION, CONSIDERATION.

- I. **RELEASE.** The GRANTOR may apply to the local governing body of the Town of Jaffrey for a release from the foregoing discretionary tax relief and associated COVENANT within the duration of the tax relief period of the RSA 79-E upon a demonstration of extreme personal hardship. Upon release from such covenants, the GRANTOR shall thereafter pay the full value assessment of such structure(s) and land to the Tax Collector of the Town of Jaffrey.
- II. **EXPIRATION.** Upon final expiration of the terms of the tax relief and associated covenants the tax assessment will convert to the then full fair market value and these covenants will be concluded.
- III. **CONSIDERATION.** The Tax Collector shall issue a summary receipt to the owner of such PROPERTY and a copy of the governing body of the Town of Jaffrey for the sums of tax relief accorded during the term of this Agreement. The local governing body shall, upon receiving a copy of the above-mentioned consideration, execute a release of the COVENANT to the GRANTOR who shall record such a release with the Cheshire County Registry of Deeds. A copy of such release or renewal shall also be sent to the local assessing official.
- IV. **MAINTENANCE OF STRUCTURE.** If, during the term of the tax relief, the GRANTOR shall fail to maintain the structure in conformity with the foregoing agreement, or shall cause the structure(s) to significantly deteriorate or be demolished or removed, the covenants shall be terminated and a penalty shall be assessed in accordance with Paragraph I(a) above.

ENFORCEMENT. If a breach of this COVENANT is brought to the attention of the GRANTEE, the GRANTEE shall notify the GRANTOR, in writing of such breach, which notification shall be delivered in hand or by certified mail, return receipt requested to the GRANTOR.

The GRANTOR shall have 30 days after receipt of such notice to undertake those actions, including restorations, which are reasonably calculated to cure the said breach and to notify the GRANTEE thereof.

If the GRANTOR fails to take such curative action, the GRANTEE may undertake any actions that are reasonably necessary to cure such breach, and the cost thereof, including GRANTEE'S expenses,

court costs and legal fees, shall be paid by the GRANTOR, provided the said GRANTOR is determined to be directly or indirectly responsible for the breach.

The GRANTOR, by accepting and recording this COVENANT to the GRANTOR agrees to be bound by and to observe and enforce the provisions hereof and assumes the rights and responsibilities herein provided for and incumbent upon the GRANTEE, all in furtherance the purposes for which this Tax Relief and associated COVENANT is delivered.

WITNESS MY/OUR/IT'S HAND this _____ day of _____, 20_____.

Witness:_____ Grantor:_____

Print Name: _____

Witness:_____ Grantor:_____

Print Name: _____

STATE OF NEW HAMPSHIRE
COUNTY OF CHESHIRE

On this _____ day of _____, 20____, personally appeared the above
_____ and _____, known to me, or satisfactorily proven, to be
the same, and acknowledged that he/she/they executed the same for the purposes contained
therein.

Notary Public/Justice of the Peace

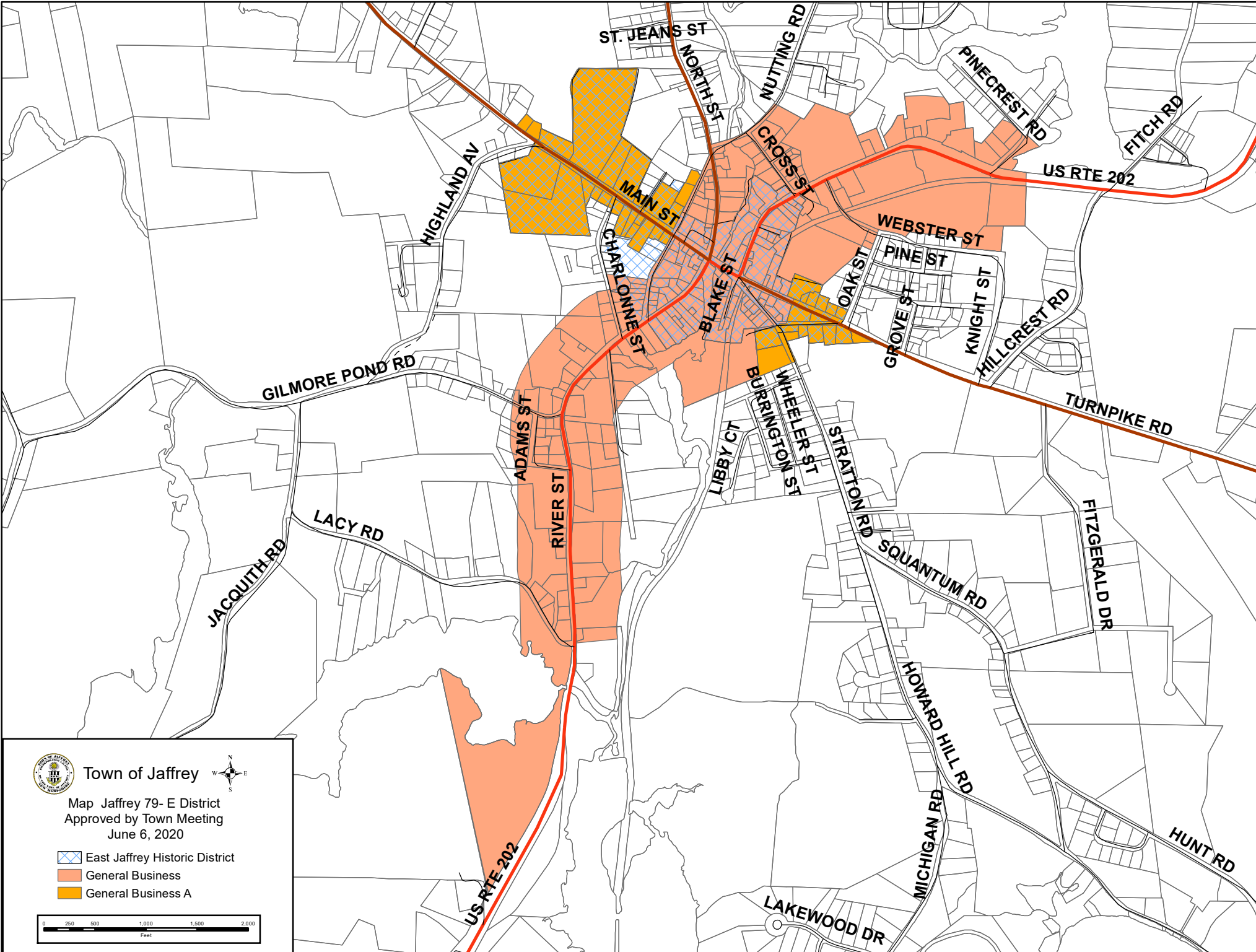
My commission expires:_____

ACCEPTED this _____ day of _____, 20____ by the Town of JAFFREY.

TOWN OF JAFFREY

By:_____ Print Name:_____




Jaffrey Town
Manager



Town of Jaffrey



Map Jaffrey 79- E District
 Approved by Town Meeting
 June 6, 2020

-  East Jaffrey Historic District
-  General Business
-  General Business A

