RESOLUTION

ADOPTING THE COMMUNITY REVITALIZATION TAX RELIEF INCENTIVE PROGRAM

CITY OF NASHUA

In the Year Two Thousand and Eleven

WHEREAS New Hampshire RSA Chapter 79-E provides for an optional community revitalization tax relief incentive program. The program serves two public benefits. First, to enhance the downtown area with respect to economic activity, cultural and historic character, sense of community and in-town residential uses which contribute to economic and social vitality. Second, to encourage the rehabilitation, or, if appropriate, replacement of the many underutilized structures in urban centers as a means of encouraging growth of economic, residential, and municipal uses in a more compact pattern. This program promotes these public benefits with short-term property assessment tax relief and related covenants; and

WHEREAS New Hampshire RSA 79-E:2 defines a “qualifying structure” for the purposes of the community revitalization tax relief incentive program as “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 [the community revitalization tax relief incentive program].”

NOW THEREFORE BE IT RESOLVED by the Board of Aldermen of the City of Nashua that the City of Nashua will accept for consideration requests for community revitalization tax relief incentives, and, following the procedures found in New Hampshire RSA Chapter 79-E, hold a duly noticed public hearing, determine if the necessary guidelines are met, make the required findings, and render a decision granting or denying the requested tax relief, and if so granting, establish the tax relief period; and

BE IT FURTHER RESOLVED by Board of Aldermen of the City of Nashua that, in order to make the community revitalization tax relief incentive program available to businesses located in proximity to downtown Nashua, the district that shall be used for the purposes of the community revitalization tax relief incentive program shall be an area that includes the two “downtown” zoning districts as well as the industrial district that encompasses the millyard and the Front and Franklin Street mill areas as shown on the attached map entitled “Downtown Nashua Community Revitalization Tax Relief District”, dated February, 2011.
LEGISLATIVE YEAR 2011

RESOLUTION: R-2011-97

PURPOSE: Adopting the Community Revitalization Tax Relief Incentive Program

SPONSOR(S): Alderman-at-Large Ben Clemons

COMMITTEE ASSIGNMENT:

FISCAL NOTE: The community revitalization tax relief incentive program will provide property owners with an incentive to rehabilitate and improve their buildings. For a period of up to the first five years post construction the city with forego property tax revenues on the value of the incremental improvements made by the property owner. As the approval of each project is done on a case-by-case basis, the amount of tax relief cannot be determined at this time. For the years after the tax relief incentive program expires, the value of the improvements will be taxed at their full assessed value.

ANALYSIS

This resolution establishes the city’s participation in the community revitalization tax relief incentive program under RSA Chapter 79-E. A property owner who wants to substantially rehabilitate (or in some situations, replace) a building located downtown may apply to the city for a period of temporary tax relief. The BOA holds a public hearing on the application, determines if necessary guidelines are met and makes certain findings. 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 the expiration of the finite tax relief period, the structure would be taxed at its full market value taking into account the rehabilitation.

The resolution also establishes the downtown area that will be used in considering applications to the community revitalization tax relief incentive program.

Approved as to form: Office of Corporation Counsel

By: Dowley Clarke

Date: February 17, 2011
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