

Town of Milton, NH

RSA 79:E

TAX RELIEF FOR RENOVATIONS

Does your historic building need renovation but you're worried about the potential increase in taxes if you improve it? In 2019, Milton voters approved the adoption of RSA 79:E which can provide temporary TAX RELIEF for a property owner to revitalize their historic building. RSA 79:E allows a property owner to apply to the Board of Selectmen to delay the increases in taxes for renovated properties for up to 5 years or more. Please contact the Town Administrator's office at Town Hall for details and an application. Applicants are also encouraged to meet with the Town Planner to explore options for revitalization projects and for assistance in completing the application.

RSA 79:E Community Revitalization Tax Relief Incentive

The purpose of RSA 79-E in Milton is to give temporary tax relief to property owners who want to sustainably rehabilitate a building located in the U.S. Census designated compact areas of Milton or Milton Mills, specifically the village centers of Milton and Milton Mills .

The increase in the building's assessed value due to the rehabilitation will not be taxed for up to five years after the rehab is finished. Board of Selectmen has discretion to expand the tax relief period.

Substantial Rehabilitation

The rehabilitation must be substantial, equal to 15% of the pre-rehabilitation assessed value or at least \$75,000.00, whichever is less.

Public Benefit

There must also be at least one public benefit:

- To enhance or improve a cultural or historic character and residential uses in the downtown
- To rehabilitate under-used building or vacant buildings
- To encourage economic growth
- To enhance a sense of community and social vitality
- To encourage the rehabilitation of historic structures by increasing energy efficiency

Qualifying Structure

The structure must be in the U.S. Census designated areas-compact areas of Milton and Milton Mills; specifically, the village centers of Milton Mills and Milton, as defined in the Milton Zoning Ordinance.

To qualify as a historic structure the building must be on the National Register of Historic Places, State Register of Historic Places or be eligible to be placed on either register.

Qualifying structures shall also be historic structures whose preservation and reuse would conserve the embodied energy in existing building stock. At least 10% of the pre-rehab value, or \$5,000, whichever is less, must be devoted to energy efficiency.

If the tax relief is requested to replace a qualifying structure, the building must not have significant historic, cultural or architectural value, and the public benefit of replacement must exceed that of rehabilitation.

Board of Selectmen Role

After receiving a completed application under RSA 79-E, the Board of Selectmen must schedule a public hearing within 60 days. Applicants will be notified about the hearing date and time.

At the hearing, the Board of Selectmen must make specific determinations and findings in order to grant the requested relief. It is the applicant's responsibility to demonstrate compliance with the criteria listed below:

- a. The structure must qualify as being historic (50 years or older) and located in the designated compact areas of Milton or Milton Mills.

- b. The proposed rehabilitation must be substantial, meaning the cost of rehabilitation must be at least 15% of the pre-rehabilitation assessed value, or \$75,000, whichever is less.
- c. The proposed use must be consistent with the Town's Zoning Ordinance and code requirements.
- d. In order to qualify for tax relief, a project must provide at least one of the following public benefits:
 - i. It enhances the economic vitality of a designated village zone (compact area)
 - ii. It enhances or improves a culturally or historically important structure.
 - iii. It promotes the development of a village zone (compact area) consistent with "smart growth" principles (RSA 9-b)
 - iv. It increases residential housing in a village zone (compact area)

Within 45 days of the public hearing, the Board of Selectmen must decide to approve or deny the application. If approved, the Board of Selectmen must state the benefit of the project and that the proposed use is consistent with the zoning regulations. Denial must be in writing and state the reasons for its denial and may be appealed to the Board of Tax and Land Appeals or Superior Court.

A covenant between the Town and the property owner must be signed and recorded at the Registry of Deeds to protect the public benefit of the tax relief.

Tax Relief

The tax relief that may be granted by the Board of Selectmen 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 tax relief to be granted as well as the period of time for which it will be granted. Additional time may be granted by the Board, as follows:

- a. An additional two (2) years if the project results in new residential units
- b. An additional four (4) years if the project includes affordable housing
- c. An additional four (4) years if the rehabilitation of the structure is in accordance with the Secretary of the Interior's Standards for Rehabilitation.

Community Revitalization Tax Relief Incentive Application Instructions

Instructions to the Applicant:

The following document contains everything you need to complete your application for tax relief to revitalize your building. Please read everything carefully. The application materials are based upon the requirements set by State Law. You will need to fill out the application, take part in a public hearing with the Board of Selectmen, and execute a covenant with the Town. If you have any questions with the application, the process, or what to expect, please call the Milton Town Administrator at 603.652.4501 x1.

Included in this Application Packet:

1. Application Form
2. Text of RSA 79-E (to be read and understood by the applicant at the time of application)
3. Covenant to Protect Public Benefit Template

Thank you for your interest in RSA 79-E, and good luck with your application and your project.

TOWN OF MILTON
 424 White Mountain Highway, P. O. Box 310, Milton, NH 03851
 603.652.4501 x1 Fax: 603.652.4120

Community Revitalization Tax Relief Incentive (RSA 79-E)
To be completed by the applicant

APPLICATION FORM

| | |
|------------------------|---|
| Building Name (If any) | Owner Name(s) |
| Building Address | Applicant Name(s) (if different from owner) |

Note: Application must be accompanied by a \$100 application fee made payable to “TOWN OF MILTON”

| | |
|--|--|
| Owner Address(es) | Applicant Address (if different from owner) |
| Phone: | Phone: |
| Email: | Email: |
| Town Tax Map Map: Lot: | Strafford County Registry of Deeds Book: Page |
| Existing Use (describe number of units by type and size) | Is there a change of use associated with this project? ____ Yes ____ No If yes, please describe: |
| Proposed Use | |

Describe the work to be done and estimated cost. Please attach additional sheets, if necessary, as well as any written construction cost estimates.

| | |
|--|----|
| Structural: | \$ |
| Exterior Alteration (storefront, walls, windows, doors, etc.): | \$ |
| Interior Alterations (walls, ceilings, moldings, doors, etc.) | \$ |
| Electrical: | \$ |
| Plumbing/Heating: | \$ |
| Mechanical: | \$ |
| Fire Protection: | \$ |
| Other: | \$ |
| Total: Note: To be considered for this tax relief incentive, the costs of the project must be at least 15% of the pre-rehabilitation assessed value or \$75,000, whichever is less. | \$ |

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

For the additional four (4) year tax relief for historic buildings, the work described must include how it meets the Secretary of Interior's Standards.

Affidavit

I have read and understand the Community Revitalization Tax Relief Incentive Act, RSA 79-E (see attached) and am aware that this application will be subject to public process including a public hearing to be held to discuss the merits of this application and the subsequent need to grant a covenant in the deed to the property to the Town and pay any reasonable expenses associated with the drafting of the covenant. I understand the application will not be determined as complete and recommended to the Board of Selectmen until all of the necessary information is provided.

IMPORTANT

PER RSA 79-E:13 (III), THE BASE OR “ORIGINAL” ASSESSED VALUE FOR ANY TAX RELIEF PERIOD IS ONLY SET AFTER THE FOLLOWING TWO CONDITIONS ARE MET:

1. APPROVAL BY THE BOARD OF SELECTMEN AND;
2. THE APPLICANT’S ENTERING INTO A COVENANT WITH THE TOWN OF MILTON TO PROTECT THE PUBLIC BENEFIT.

Applicant: (Signed)

(Name Printed)

Date

Expected Project Start Date: _____

Expected Project Completion: _____