ECONOMIC DEVELOPMENT TOOL

Community Revitalization Tax Relief Incentive (NH RSA 79E)

STRATEGY

The **Community Revitalization Tax Relief Incentive**, also known as NH RSA 79E, is a state law that allows communities to grant temporary relief to a property owner to delay the increase in taxes that would result from the rehabilitation or expansion of a structure located in a village center, town center, downtown, or other **designated 79E area**.

WHAT IT DOES

The intent of RSA 79E is to encourage substantial improvements to existing structures or replace the existing structures to provide needed benefits to the community. These rehabilitations can be **economically beneficial,** or they could provide **desired housing**. For example, a property owner rehabilitating and expanding an existing multi-family structure in a downtown could be seen as providing a benefit to the community in a designated 79E area.

When a property owner rehabilitates or expands a structure in a 79E designated area, **tax increases can be delayed for a specified period of time**. The relief is granted by the "governing body" (the Mayor, Town Council, or Board of Selectmen) for up to five years based on the "community benefit" the project provides.

NH LAW

NH RSA 79E provides legislative support for this program. Additional years of tax relief may be provided beyond five years per the state regulation and governing body's provisions.

HOW IT FUNCTIONS

RSA 79E functions in three steps or phases which are described in greater detail in the **HOW TO IMPLEMENT** section below.

1 __ Municipal Identification and Adoption of the 79E Designated Area

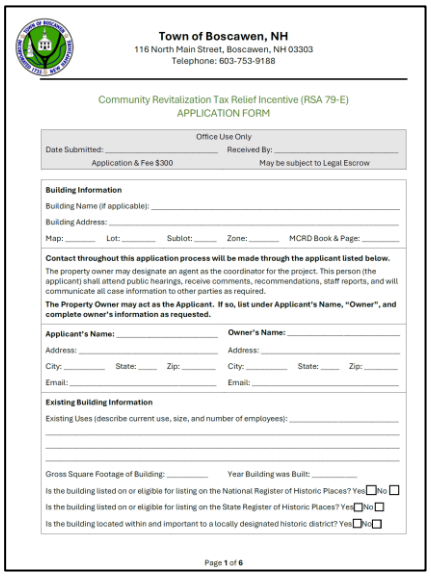
Determine the location of the **79E area**, and then establish the provisions and adopt the RSA into a municipal ordinance.

2 __ Promote the Designated Area

Promote the area to inform property owners of the opportunity and benefits, and how to proceed.

3 __ Apply the Provisions to Applications

Be prepared to use the 79E provisions when the property owner makes an application to the governing body before applying for a building permit.



Town of Boscawen, NH
116 North Main Street, Boscawen, NH 03303
Telephone: 603-753-9188

Community Revitalization Tax Relief Incentive (RSA 79-E)
APPLICATION FORM

Office Use Only
Date Submitted: _____ Received By: _____
Application & Fee $300 May be subject to Legal Escrow

Building Information
Building Name (if applicable): _____
Building Address: _____
Map: _____ Lot: _____ Sublot: _____ Zone: _____ MCRD Book & Page: _____

Contact throughout this application process will be made through the applicant listed below.
The property owner may designate an agent as the coordinator for the project. This person (the applicant) shall attend public hearings, receive comments, recommendations, staff reports, and will communicate all case information to other parties as required.
The Property Owner may act as the Applicant. If so, list under Applicant's Name, "Owner", and complete owner's information as requested.

Applicant's Name: _____ **Owner's Name:** _____
Address: _____ Address: _____
City: _____ State: _____ Zip: _____ City: _____ State: _____ Zip: _____
Email: _____ Email: _____

Existing Building Information
Existing Uses (describe current use, size, and number of employees): _____

Gross Square Footage of Building: _____ Year Building was Built: _____
Is the building listed on or eligible for listing on the National Register of Historic Places? Yes ☐ No ☐
Is the building listed on or eligible for listing on the State Register of Historic Places? Yes ☐ No ☐
Is the building located within and important to a locally designated historic district? Yes ☐ No ☐

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LIMITATIONS

The 79E area is not a zoning district. The tax relief is for the proportion of increased taxes due to the improvement or rehabilitation, and not for the entirety of the real estate taxes due. That proportion of increased taxes is deferred until a later, agreed upon time.

Community Revitalization Tax Relief Incentive (NH RSA 79E)

HOW TO IMPLEMENT

- ☐ Establishment of the framework of 79E involves **identifying the areas in the community** where 79E will be available. Reviewing the Master Plan is a good place to start. These are often village districts, downtowns, or other concentrated areas. It can be beneficial to **overlay 79E areas with zoning districts** such as a Tax Increment Finance (TIF) District, or an Economic Development Revitalization Zone (ERZ) per NH RSA 162:N.

- ☐ **Community support** of this initiative is necessary. **Adoption of the 79E area and provisions** is obtained through the community's legislative process (Town Meeting, City Council, etc.). **Application forms** will need to be developed. These forms would be the governing body's forms, but the Planning Board often participate in their development.

- ☐ When established, **promotion of 79E District** would commence. The map and details would be listed on the municipal website, and other promotional efforts could include social media or the inclusion of a flyer in the tax bill of properties in the district and posted at the municipal offices. Informational workshops could be held to discuss options with property owners.

- ☐ Once a property owner decides to make **substantial improvements**, they complete a **Community Revitalization Tax Relief Incentive application** to the governing body. A public hearing will be held, and the governing body chooses whether to grant the approval, how much of the tax increase will be delayed, and for how long. A **written agreement** between the parties will be executed, and then the **building permit** can be applied for. The agreement is recorded at the Registry of Deeds.

SUCCESS STORY:

PITTSFIELD, NH

Circa 2010, the Town of Pittsfield adopted RSA 79E. Not long after, a local business had experienced a fire and had a need to rebuild. During this process, they identified an opportunity to expand. With 79E in place, the business was able to rehabilitate the fire-damaged portion of the structure as well as expand using RSA 79E tax relief. This was the difference between the business staying in town or choosing to move.

RESOURCES

- ○ **NH Housing Toolbox** provides a comprehensive overview of innovative land use control revitalization: https://nhhousingtoolbox.org/strategies/community-revitalization-tax-relief-79-e/

- ○ **NH RSA Chapter 79E, Community Revitalization Tax Relief Incentive**: https://gc.nh.gov/rsa/html/V/79-E/79-E-mrg.htm

ECONOMIC DEVELOPMENT TOOL

Infill Development

STRATEGY

Infill development directs new homes and mixed-use construction to vacant or underused sites within established neighborhoods, village centers, downtowns, and commercial corridors. By using land already served by roads and, where available, water and wastewater systems, communities can expand housing choices while reinforcing existing centers and limiting the need for outward infrastructure expansion.

WHAT IT DOES

Municipalities can support infill through zoning districts or overlays that allow smaller lots, reduced frontage and setbacks, a broader mix of housing types and uses, flexible parking standards, and predictable or streamlined review. Infill can take the form of a new home on a vacant lot, redevelopment of an underused parcel, or reuse or replacement of an older building. It can make more efficient use of land and public investment, reduce blight, support walkable centers, broaden the tax base, and create housing near jobs and services.



The 2023 CNHRPC Regional Housing Needs Assessment projects a need for **8,215** additional homes in the region between 2025 and 2040; well-designed infill can help meet part of that need without extending development far beyond existing centers.

NH LAW

New Hampshire municipalities may use local zoning authority and innovative land use controls under **RSA 674:16-21** to establish infill provisions. **RSA 674:43, VIII** expressly authorizes pattern zoning to accelerate compatible infill housing on vacant lots among existing developed lots. **Effective July 1, 2026, RSA 674:79-80** also requires multifamily housing on commercially zoned land when adequate roads, water, and sewage systems are available or provided, subject to the law's stated limitations.

HOW IT FUNCTIONS

An infill ordinance identifies where flexible standards apply and establishes clear rules for use, building form, density, parking, access, and design. It may operate as an overlay that supplements underlying zoning or as amendments to a base district. Communities can pair it with conditional-use permits, minor or expedited site-plan review, density incentives, fee adjustments, tax relief, or adaptive reuse standards.

1 __ Identify Priority Areas

Map vacant and underused parcels where existing roads, utilities, services, and neighborhood form can support additional homes or mixed uses.

2 __ Set Infill Standards

Align permitted housing types, dimensional rules, parking, design, and review procedures with local goals and the physical constraints of established areas.

3 __ Review and Track Projects

Use a clear approval path, coordinate infrastructure and site issues early, and monitor homes created, review time, and neighborhood compatibility.

Infill Development

LIMITATIONS

Infill sites may involve fragmented ownership, environmental contamination, irregular lots, limited parking, aging utilities, or conflicts with neighboring buildings. Existing codes can also make otherwise compatible projects infeasible. Flexible standards should remain tied to adequate infrastructure, safe access, stormwater management, and context-sensitive design. Although infill can lower some land and infrastructure costs, it does not by itself guarantee affordable housing; complementary incentives or affordability requirements may be needed.

HOW TO IMPLEMENT

- [ ] Review the master plan, regional housing needs assessment, infrastructure capacity, parcel patterns, and current zoning. Map vacant or underused sites in village centers, downtowns, neighborhoods, and commercial corridors, and consult property owners and developers about barriers.
- [ ] Define the community's objectives and area of applicability. Decide which housing types and compatible nonresidential uses should be permitted and whether to use an overlay, base-district amendments, adaptive reuse provisions, or pattern zoning.
- [ ] Right-size dimensional, parking, density, and review standards while protecting health, safety, infrastructure capacity, neighborhood scale, pedestrian access, and environmental resources. Coordinate the draft with site-plan and subdivision regulations and identify appropriate incentives.
- [ ] Follow the applicable RSA 675 adoption process, then publish maps, standards, checklists, and a clear application path. Track approvals, homes created, review time, and infrastructure effects, and revise the ordinance as local conditions change.

SUCCESS STORY:

ALLENSTOWN, NH

Allenstown adopted the Suncook Village Infill Development District in 2011 and expanded it in 2019 to include the former China Mill. The overlay supports compact mixed-use development where public infrastructure and services already exist and uses conditional-use review to address compatibility. After the expansion, the Planning Board approved conversion of the mill to 150 one-, two-, and three-bedroom apartments in September 2020. The project illustrates how zoning changes, adaptive reuse standards, and RSA 79-E tax relief can return an underused property to productive use while adding housing.

RESOURCES

- **NH Housing Toolbox, Infill Development:** https://nhhousingtoolbox.org/strategies/infill-development/
- **CNHRPC, Regional Housing Needs Assessment 2023:** https://cnhrpc.org/regional-planning/rhna/
- **New Hampshire RSA 674, Sections 21, 43, and 79-80:** https://gc.nh.gov/rsa/html/LXIV/674/674-mrg.htm
- **Town of Allenstown, 2026 Zoning Ordinance, Chapter 24:** https://allenstownnh.gov/DocumentCenter/View/572/2026_-_town_of_allenstown_zoning_ordinance_final?bidId=

ECONOMIC DEVELOPMENT TOOL

Tax Increment Financing District (TIF)

STRATEGY

A Tax Increment Financing (TIF) District encourages economic development within a defined area without burdening local taxpayers with the cost of providing expensive infrastructure such as roads, water, and sewer, and other amenities up front.

This strategy benefits both the community and developer. Taxpayers do not have to fund expensive infrastructure and the developer is not taxed at full value for what they develop until a future date as mutually agreed.

WHAT IT DOES

With a TIF, development can occur in areas which might have been too expensive to develop by allowing a developer to build something of value to the community without being taxed for full value immediately. The taxes for the property are increased gradually over time as the development is built and establishes its footing in the community.

A TIF works to facilitate development that may not otherwise occur by providing municipal funding for infrastructure required for development. Whether used to first construct infrastructure and entice development, or to work with known developer, the goal of a TIF is aid in the construction of desired development.

NH LAW

NH RSA 162-K enables municipalities to establish development districts. A TIF can also be used in conjunction with other tools, including tax incentives, such as Community Revitalization Tax (CRT) Relief (79-E) or ERZ Tax Credits (RSA 162-N).



HOW IT FUNCTIONS

Revenue for the infrastructure comes from the increased assessed value that comes from the development of properties in the district. Funds generated from the initial assessment of the properties continue to go into the general fund.

A TIF lasts for 20 years unless Town Meeting decides to extend it or terminate it before it expires. Once the TIF expires, the full assessed value, including from new development, goes into the general fund.

The legislative branch controls all steps of the adoption of the TIF and any spending that may result.

Tax Increment Financing District (TIF)

A TIF is not a new tax on properties in the district, nor does it add additional or waive existing permitting requirements for development.

LIMITATIONS

Each TIF District must establish its own Plan to allocate use of tax increments for bond retirement, operations, and improvements. No District can include more than 8% of a community's assessed value or more than 5% of its land area. All Districts cannot exceed 10% of the assessed value nor more than 16% of land area. Money raised within a District must be spent within the District.

HOW TO IMPLEMENT

- ☐ Town Meeting votes to authorize the initial adoption of a TIF District under NH RSA 162-K, which includes establishing an Advisory Board.
- ☐ A future Town Meeting votes to define the boundaries of one or more TIF districts after community meetings.
- ☐ Community adopts a TIF plan of the financial specifications after public hearing.
- ☐ Secure bonding for any improvements once a developer agreement is in place.
- ☐ These steps must be approved by the community's legislative body.

SUCCESS STORY:
BOSCAWEN, NH

The Town of Boscawen adopted a TIF District in 2025 along Commercial Street. The boundaries of the District correspond with a mixed-use village zoning district, as well as a CRT and ERZ tax districts. The area also contains a brownfields site at a former mill that is being cleaned up using US EPA brownfield grant funding.

RESOURCES

- **Town of Hopkinton TIF:** https://www.hopkinton-nh.gov/economic-development-committee/pages/tif-districts
- **NH Housing Toolbox:** https://nhhousingtoolbox.org/strategies/tax-increment-financing-tif/
- **Town of Boscawen TIF Plan:** https://www.boscawennh.gov/DocumentCenter/View/262/Boscawen-Commercial-Street-Tif-Plan-Final-012925-PDF
- **NH BEA TIF Resources:** https://www.nheconomy.com/office-of-planning-and-development/resources/tax-increment-financing