



CITY OF FRANKLIN
COUNCIL AGENDA REPORT

May 5, 2014 City Council Meeting

From: Richard Lewis, Director of Planning and Zoning

Subject: Consideration of Application of Under the Mountain, LLC for Tax Relief under RSA 79-E

Proposed Motion:

"I move that the Franklin City Council, based on the Findings below, approve the request for five years of tax relief for the renovations proposed by Under the Mountain, LLC for the property at 354 Central Street with the conditions of approval as outlined below, or as may be modified by a vote of the City Council".

Discussion:

The City Manager's office has received a 79-E application for tax relief for certain improvements to the former Northway Bank property on Central Street. The applicant, Under the Mountain, LLC, is proposing to undertake improvements to the façade and the interior work space. Once the work is complete, the A.W. Frost Insurance Agency will re-locate its office to this renovated building. Attached is a copy of their application package, which includes plans showing the façade and interior improvements.

Since this work is within the historic district, the project was reviewed by the Franklin Heritage Commission. At a meeting on March 26, 2014, the Commission voted to approve the work as being appropriate for the character and look of historic downtown Franklin.

Just as a reminder, the tax relief granted under the 79-E program is calculated on the added value for a property based on the improvements once they are completed. While the tax relief benefits for this project may not be as substantial as for a project on a larger building with a broader range of improvements, any level of tax relief for a property owner helps to incentivize improvements to the downtown area. The City Council recognized the benefits of these incentives when this program was adopted.

The applicant has outlined reasons why they believe this work satisfies the criteria for tax relief under the provisions of RSA 79-E. In my opinion, I believe that the criteria have been met. Below are proposed Findings and Conditions of Approval that reflect my thoughts on the application.

The Franklin City Council Finds that the proposed renovations will:

- a. Enhance the economic vitality of the downtown and improve a centrally located structure that is culturally and historically important.
- b. Satisfy the Smart Growth goals of RSA 9-B through: positive efforts to preserve the historic center; and, and contributing to, and facilitating, the development of a vibrant municipal center.

The City Council approves five years of tax relief from the value added to the structure through the improvements with the following Conditions:

1. No later than 90 days after the issuance of the Building Permit, the applicant shall present to the City Manager and the Planning Director, a draft Covenant, prepared in conformance with the provisions of Section 79-E:8. This Covenant shall be coextensive with the tax relief period of Five years.
2. The City will have this Covenant reviewed by the City Attorney. Any costs incurred by the City in the preparation or review of the draft Covenant shall be borne by the applicant. Once the Covenant is approved by the City Attorney, the applicant shall record the document with the Merrimack County Registry of Deeds.
3. All of the applicable provisions of RSA 79-E shall apply to this approval. Said provisions include, but are not limited to: the extent of the tax relief; termination of the Covenant; reduction of tax relief; and, any penalties.

Alternatives and Impacts:

If the City Council voted to deny the application, then the property owner will be obligated to pay higher taxes for the 5-year period once the improvements are completed and included in the Assessing records. In a broader sense, a denial might signal that the Council is not fully supportive of the 79-E program, which could have an adverse impact on other downtown revitalization efforts.

Attachments:

Copy of the application letter;
supporting narrative outline; and,
plans showing the proposed improvements.

t o m o r r o w
h a p p e n s

April 16, 2014

City Council
City of Franklin, NH
318 Central St
Franklin, NH 03235

Dear Council Members,

On October 25, 2013, Under the Mountain, LLC purchased the property at 354 Central Street, (117-150-00), Franklin, NH, formerly known as Northway Bank. The intended use for the building will be the new location for the A.W. Frost Insurance Agency, Inc.

Extensive renovations are planned for this building. Attached to this packet is a copy of the architectural drawing of the proposed work to be completed and the interior updates for the property.

Under Chapter 79-E, Community Revitalization Tax Relief Incentive, Under the Mountain, LLC requests your consideration for tax relief under this program.

Attached for your consideration are the reasons for this request.

Respectfully,



Prescott Y. Towle
Manager,
A.W. Frost Agency, Inc.

a r e y o u r e a d y ?

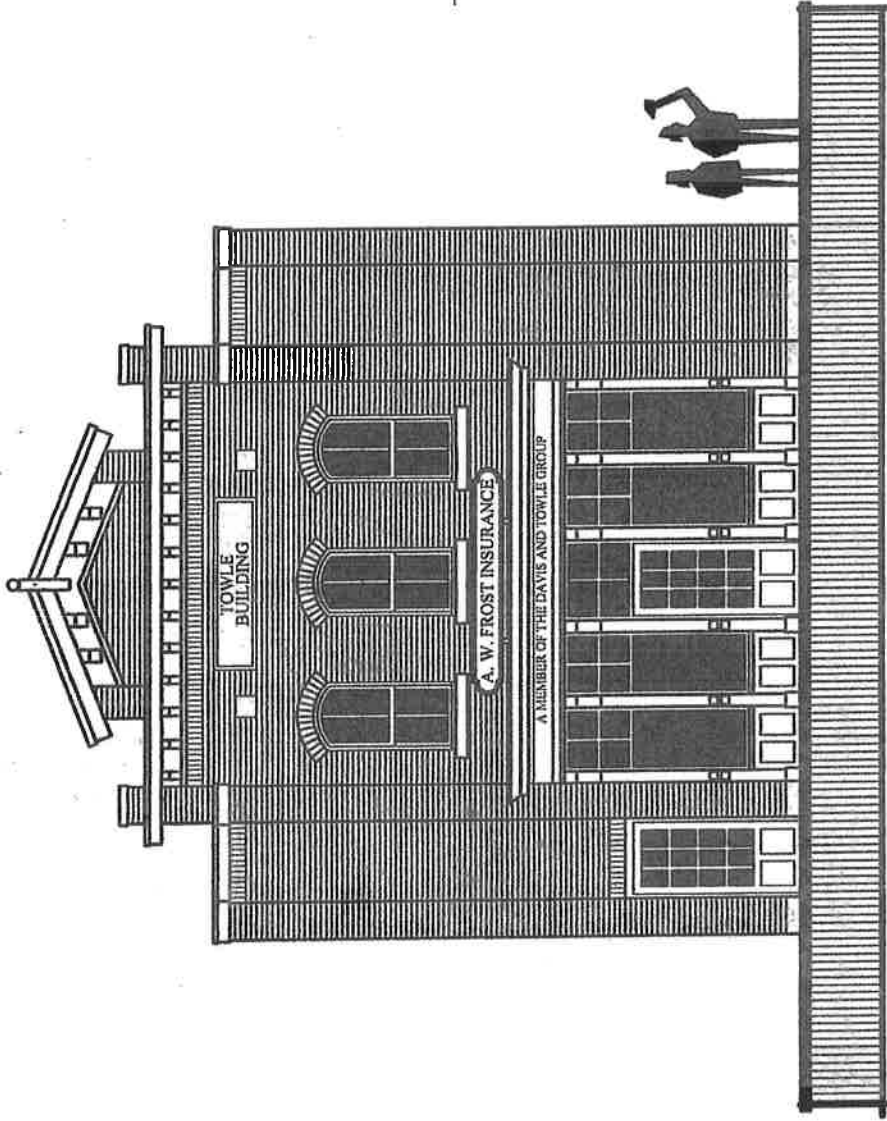


DAVIS & TOWLE
INSURANCE GROUP
A.W. FROST AGENCY

(603) 934-3319 / www.davistowle.com / 325 Central Street, PO Box 129 / Franklin, NH 03235

The address of the property is 354 Central St, Franklin, NH, formally Northway Bank.

1. The attached drawings reflect that the building is to receive a new brick front with new windows and doors.
2. The building will become the new home for the A.W. Frost Insurance Agency, Inc.; Davis & Towle Insurance Group.
3. The proposed renovations to the property will enhance and improve a structure that is culturally and historically important to the City of Franklin.
4. It is believed that the renovation will be the beginning of an economic revival of the downtown district of the City of Franklin.
5. The proposed project has been reviewed by the Franklin Heritage Commission and has received the Commission's approval.
6. The project is a public benefit as it fulfills the smart growth goal of RSA 9-B by and through the enhancement of the vibrant commercial activity of downtown and the associated sense of community identity for the historic district. This is accomplished by replacing the façade of the existing building with a look that is more in keeping with the historic look and feel of the downtown.
7. Under the Mountain LLC requests tax relief for the 5 year period allowed by statute.



THE TOWLE BUILDING
325 CENTRAL STREET
FRANKLIN, NEW HAMPSHIRE

WILSON & WILSON ARCHITECTS
19 LOGGING HILL ROAD
BOW, NEW HAMPSHIRE
01.06.2014



CITY OF FRANKLIN, NEW HAMPSHIRE
"The Three Rivers City"

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CITY OF FRANKLIN
NOTICE OF PUBLIC HEARING & MEETING

In accordance with the provision of Chapter 31, Division 2 of the Franklin Municipal Code, notice is hereby given that the Franklin City Council will hold a Public Hearing on Monday, May 5, 2014, at 6:10 p.m. in the Council Chambers, Franklin City Hall, concerning an application by Under the Mountain, LLC, for tax relief, under the provisions of RSA 79-E, for improvements to the property located at 354 Central Street, formerly known as the Northway Bank. The applicant is asking for five years of relief from taxes for the added value of the improvements to the property.

47'-8"

7'-6"

10'-11"

10'-4"

7'-5"

12'-0"

25'-7"

