



CITY OF CONCORD

New Hampshire's Main Street™

REPORT TO MAYOR AND THE CITY COUNCIL

Date: November 24, 2025

To: Honorable Mayor and City Council

From: Jonathan Rice, Director of Assessing

A handwritten signature in black ink, appearing to be "JR", is written over the name Jonathan Rice.

RE: Voluntary Payment in Lieu of Taxes Agreement between Dartmouth Hitchcock Clinic and the City of Concord

Recommendation

Request that Mayor and Council accept this report and authorize the City Manager to sign a payment in lieu of taxes agreement (PILOT) between Dartmouth Hitchcock Clinic (DHC) and the City of Concord. The agreement is included with this report.

Background

Dartmouth Hitchcock Clinic owns properties in the City at 247-249 Pleasant Street and 253 Pleasant Street. These properties are currently used and occupied as intended; healthcare and related services for the general greater Concord, NH community without discrimination and regardless of ability to pay.

The agreement recognizes DHC as a charitable organization pursuant to RSA 72:23-c and describes the conditions for a voluntary payment in lieu of taxes for the properties as allowed pursuant to RSA 72:23-n.

DHC has agreed to enter into a (7) seven-year agreement from April 1, 2024 through March 31, 2031. If approved, the new PILOT payment would be determined by dividing each year's assessed value by half and multiplying that amount by the current year's tax rate. For example, the total assessed value of DHC's properties for tax year 2024 was \$10,654,450 and the City's tax rate was \$27.69. The payment in lieu of taxes for 2024 would be \$147,510.86. ($\$10,654,450 / 2 = 5,327,225$. $\$5,327,225 \times .02769 = \$147,510.86$). The total assessed value of DHC's properties for tax year 2025 is \$10,654,450 and the City's tax rate is \$29.11. The payment in lieu of taxes for 2025 would be \$155,075.52 ($\$10,654,450 / 2 = 5,327,225$. $\$5,327,225 \times .02911 = \$155,075.52$)

If approved, DHC and the City agree to extend this agreement by (5) five years covering tax years April 1, 2031 through March 31, 2036 by executing an extension agreement no later than March 31, 2031.

The attached seven-year agreement between the City of Concord and DHC has been reviewed by both parties. Pursuant to RSA 72:23-n, the acceptance of a payment in lieu of taxes, by statute, must be approved by the governing body.

Cc: Thomas J. Aspell Jr., City Manager