



Town of New Castle, NH  
Settled 1623  
Incorporated 1693

### **Ocean Street Property**

The Town officially purchased 41-43 Ocean Street in October of 2023. The acquisition was made with overwhelming support of the residents, 72% voting in favor at the Town Meeting. It took a lot of effort, hard work, and forethought to make this happen. The Property is an incredible legacy waterfront parcel with significant cultural, historical, and environmental value for current and future generations.

The Town purchased the property for \$5,000,000 using a municipal bond sale. The bond was sold at a premium of \$148,917 which means the Town will only repay principal in the amount of \$4,851,083. The Bond Bank calculated the true interest cost over the life of the loan of 4.09% for a 29-year term. The loan payments, including principal and interest, on the bond will average \$293,555 per fiscal year.

To help defray some of the costs of the acquisition the Town accepted two generous gifts in the amounts of \$1,000,000 and \$500,000 totaling \$1,500,000. The Town is thankful to these wonderful anonymous donors for their kindness. Because of the timing of the gifts and the donors wishing to preserve the property, the gifts are being used to provide funding for general municipal purposes. The Board intends this to offset the bond payments. Using the gifts in this way means there will be no tax impact from the acquisition in the first five years following the purchase and a reduced effect on the tax rate in years six and seven.

The larger donation is being held by the Town's Trustees of the Trust Funds in a separate account. The Trust does have some stipulations on it until the funds are fully disbursed to the Town. If the Town wishes to receive and use the money as described above the donor requests:

- The property is not used for Industrial use (the production of industrial goods or the provision of services for industrial production)
- The property is not used for Commercial use (business, commerce or trade but excluding fundraiser or municipal hosted events),
- Not expand to more than the two existing residential units and to not expand the structure beyond the footprint of the current duplex,

- If placing or constructing any additional permanent structures the collective footprint will be no larger than 500 sq feet.,
- To not construct additional parking lots, paved walking paths and/or billboards on the property.

It is important to understand these are not restrictions on the use of the property or Town land. If the Town wishes to do any of the above-mentioned activities on the property, it may. If it does, it would only be forgoing money from the gift that has not yet been disbursed from the trust. The Town is under no obligation to repay any money that has already been disbursed to the Town. Once the gift money has been completely dispersed to the Town, the trust, and its stipulations extinguish.

### **What's Next**

The plan in the initial months is to do some minor repairs, general landscape work including mowing and small stone removal from the lawn and prepare the property for public use. The Town is currently seeking input from residents, through an established advisory committee, on how they envision using the property and what changes, if any they would like to see. The goal of the committee is to conduct outreach, receive, and synthesize the information, and develop a list of options for the property. It is expected that the committee will develop a report for the Select Board in April 2024 and present the information to the public at the Town Meeting in May 2024.

### **From Your New Castle Select Board,**

William M. Stewart, Chair

Jane Finn, Selectwoman

Pamela Cullen, Selectwoman