

Final Decision

After an extensive, deliberate, and transparent process, I am pleased to announce my approval of Mount Sunapee Resort's Revised Master Development Plan (RMDP)/Environmental Management Plan (EMP). The RMDP reflects updates to the original MDP/EMP which was submitted to the agency in June 2014. I hereby approve all the elements contained within the 2016-2020 RMDP/EMP, except for the mountain coaster, which is neither approved nor denied at this time.

In April 2015, I released my draft decision. A second public hearing and comment period was held seeking feedback to the draft decision. I was pleased to have received approximately 750 comments from over 675 people, plus petitions. After careful review of all these comments, I have worked closely with my team and the operator to further refine my decision. Today's final decision reflects lots of inputs, careful considerations, and is a balanced approach to the future of Mount Sunapee Ski Area and Mount Sunapee State Park.

Before outlining the changes to the final decision, it's important to refresh some of the key components of the draft decision:

- Rejected the mixed ownership model between public and private lands
- Required all 150 acres associated with recreational facilities in the West Bowl (WB) be transferred to the state
- Required an additional donation of 260 acres as conservation lands
- Add an additional 10-year renewal option to lease

- Realignment of two proposed ski trails outside of the Exemplary Natural Community (Polygon D)
- Funding for research plots with Polygon D
- Permanent protection of the East Bowl
- No private development within WB lands being transferred to state
- Safeguards outlined if Goshen were to change or provide a variance in its zoning within its Recreational District.
- WB expansion must accommodate year-round hiking on the Summit Trail
- Conditional approval of the Mountain Coaster
- Local, state and federal permits are required for the project

While the foundation of the plan remains largely intact, several substantive changes have been made to the RMDP/EMP based largely on public comments.

Further reductions within the Exemplary Natural Community (ENC) – Building off of the Natural Heritage Bureau (NHB) reports, dozens of comments from the public, and the agency’s commitment to minimizing impacts within the 16 acre ENC known as Polygon D, the final decision eliminates all ski trails within Polygon D, including under the chairlift. This will remove the need for snowmaking equipment within the ENC and allows the lift corridor to be narrowed to approximately 50-60 feet. By eliminating the trails in Polygon D, the total direct impact is reduced from 4.2 acres (as proposed in the original MDP) to 1.1 acres. This marks a 74% reduction within Polygon D from the initial MDP.

Further, in an effort to minimize the soil disturbance within Polygon D, no stumping of the trees will occur. Trees cut in Polygon D for the chairlift will be flush cut to ground level, and no heavy equipment will be allowed to grade the terrain. Additionally, no blasting shall occur within Polygon D for the construction of the chairlift tower foundations. The chairlift foundations will be excavated by hand, and drilled and pinned to the bedrock.

Environmental Research Studies- In the draft decision, I called for funding of research plots to help analyze impacts within the ENC. Upon further discussions with the NHB, it was determined that an ecological assessment study will provide a greater benefit. In the final RMDP, Mount Sunapee Resort shall provide up to \$40,000 for the ecological assessment study.

The ecological assessment will be a higher value to the Department of Resources and Economic Development (DRED), and the public, as it will update our knowledge of the conditions of the upland forest system found at Mount Sunapee State Park, as well as other similar forest types throughout the state.

The tool will be objective and science-based and assist in evaluating the integrity of a natural community (similar to assessment tools for evaluating wetlands).

Conservation Lands –Several questions were raised as to the timing of the land transfers, particularly around the conservation lands. Upon further consideration, all of the conservation lands (approximately 260 acres) designated to be transferred to DRED will occur prior to any construction taking place on the West Bowl expansion. This includes the 208 acres of the O’Connell tract, plus 52 acres of the Powell tract.

These conservation lands shall become part of Mount Sunapee State Park; however, they will not become part of the land within the ski lease boundary. Also, at the time of transfer to the state, there shall be a deed restriction placed upon the 52 acre Powell tract to protect against any future development or incorporation into the ski area. These lands will only be transferred to DRED if the Mount Sunapee Resort receives all of the necessary permits and approvals from the state, federal, and local authorities with jurisdiction over the West Bowl expansion project.

I am also pleased to report that in the fall of 2015, scientists from Ecosystem Management Consultants and Normandeau Associates conducted an ecological assessment of the conservation lands being transferred to DRED. Based on these reports, which have been preliminarily reviewed by the NHB, we anticipate that between 70-90 acres are worthy of being designated a part of the ENC. The transferring of the conservation lands to the State shall provide permanent protection and further enhances the overall mosaic of the ENC through the Mount Sunapee – Pillsbury region.

Hiking Trails – Maintaining four season hiking on the Summit Trail is a priority. To codify this commitment, DRED, Mount Sunapee Resort and the Sunapee-Ragged-Kearsarge Greenway Coalition (SRKGC) will enter into a Cooperative Maintenance Agreement, which will protect and maintain the designated trails within the leased boundary. In addition to protecting and maintaining the safety and stewardship of the trails, Mount Sunapee Resort will provide annual spring maintenance on the Summit Trail.

I'm also pleased that with the reconfiguration of the West Bowl skiing trails in the final decision, the number of trail crossings has been reduced from six to three, and the Summit Trail shall remain undisturbed in its current configuration.

Relationship between the public lands and the privately-owned abutting lands – It is acknowledged and agreed that residential and commercial real estate development on the private land abutting the West Bowl expansion is not permitted within the Goshen Recreational District. However, it is recognized that a local decision could be made to change the zoning ordinances or a variance could be granted. As such, DRED has strengthened the safety measures outlining the relationship between any public and private land.

DRED shall require that ski slopes be setback at least 50 feet inside the state park boundary (20 feet in draft decision). In addition, the Mount Sunapee Resort is prohibited from developing, maintaining, or operating any trails or paths from the ski slopes on the state park land to adjacent private lands, unless those trails are accessible for use by the public. The primary access from adjacent residences and facilities to the ski slopes shall be through access points shared with the public. Owners and visitors shall not be granted any rights to use the recreational facilities on public land that are not also enjoyed by the public.

Mountain Coaster – While preliminary approval of the mountain coaster was contained within the draft decision, it is neither approved nor denied in the final decision. The 2016-2020 RMDP is truly about the West Bowl expansion. That was the focus of the public comments and the focus of our collective attention throughout this deliberative

process. Mount Sunapee Resort is welcome to bring the mountain coaster project forward for consideration in future MDP submittals.

Letter of Approval with Conditions – I have explicitly approved the plans outlined within the RMDP (excepted for the mountain coaster); however, I have also brought forward a conditions letter outlining 23 specific provisions that shall govern the RMDP approval. This conditions letter is signed by each of the relevant parties to codify the terms of these conditions. The conditions are established to acknowledge certain truths, certain requirements, and certain protections for the parties' interests. This agreement, which accompanies the approval of the RMDP, is intended to clarify the relationships between all parties and avoid ambiguity that can often lead to counterproductive situations.

Other items of interest – While not formally a part of the RMDP or conditions letter, I will revise the membership of the Mount Sunapee Advisory Committee by adding a member from the New Hampshire Department of Transportation (NH DOT). This will be done by updating the Public Involvement and Oversight Policy for the Mount Sunapee Ski Area. The NH DOT will bring a valuable perspective to the planning and review process of the important advisory committee.

At the Mount Sunapee Advisory Committee annual operating plan meeting, there shall be a standing item on the agenda for an update regarding the hiking trails within the leased boundary. This report will be an opportunity for DRED, Mount Sunapee Resort, and the Sunapee-Ragged-Kearsarge-Greenway Coalition to provide an overview of its annual work plan for the trails.

Economic benefits of the lease and proposed West Bowl expansion –

The 18-year partnership between Mount Sunapee Resort and the State has been successful in many ways. Mount Sunapee Resort has invested \$21 million for capital improvements on the mountain since 1998. The skier experience has been significantly improved and today the number of skiers has doubled since it was operated by the State.

DRED has benefited from the nearly \$8.5 million in lease payments. These payments have supported the extensive capital upgrades at Cannon Mountain. As a result, Cannon has increased its skier visits, enhanced its financial position, and provided critical revenue to help support the financial health of the entire New Hampshire state parks system.

The towns of Newbury and Goshen also benefit. Prior to the lease, the towns did not receive any tax revenues from the operations at Mount Sunapee State Park, but since the lease went into effect in 1998, the town of Newbury has received approximately \$2.3 million in tax revenue and Goshen has received approximately \$275,000.

As outlined in the draft decision, the State, DRED, and the towns of Goshen and Newbury will receive additional financial benefits from the West Bowl expansion. Based on an economic analysis, the town of Goshen could see an increase in property tax revenue of around \$90,000. The town of Newbury could see an increase in property tax revenue of nearly \$11,000.

The State of New Hampshire could see an increase in tax revenue of \$150,000. The DRED anticipates an increase in the lease payment of nearly \$150,000. And the West Bowl expansion will result in additional employment in the region.

Closing Summary – As I've stated before, Mount Sunapee is truly a special place. Mount Sunapee State Park has a rich history that offers a wide variety of recreational opportunities, of which alpine skiing has been a major part. The concept of expanding the Mount Sunapee ski area is well established, from Governor Wesley Powell's vision in the early 1960s, to the requirements for expansion plans within the State's Request for Proposal (RFP) in 1998. Mount Sunapee State Park has evolved as a competitive ski area providing public recreation, enhancing travel and tourism, and being an economic stimulus for the region.

This Revised MDP/EMP represents a balanced and responsible project that respects the natural resources, enhances the recreational experiences for the public, brings strong economic benefits to the region and State, promotes travel and tourism, and further solidifies the strength of the state parks system. The ability to bring recreation, conservation, and economic promotion is one of the defining attributes of the DRED, and our State.

I am pleased to approve the Revised 2016-2020 MDP/EMP. However, as part of this process, there are components of this plan that require the approval of the Governor and Executive Council. I have submitted an item for consideration at the March 23, 2016 Governor and Council meeting. This requested action is in the form of a Lease Amendment which is necessary for the West Bowl expansion project to proceed. I know the Governor and Executive Council will be reviewing the documents in the days ahead and I look forward to sharing the details of this plan and answering their questions. I am confident that after their review, they too, will agree with the strength of the West Bowl expansion plan and how it is beneficial to the state, the towns, the public, the environment, and the economy.

The management of public lands needs to be open, transparent, and holistic. The benefit of any one project needs to be evaluated from the perspective of how it serves the public good. Today's final decision is a balanced approach to the future of Mount Sunapee State Park, reflecting extensive public input, the history of the park, and careful consideration of the mission of our agency. The revised MDP/EMP will bring great benefit to the Sunapee region, and the State of New Hampshire.

Thank you.

Jeffrey J. Rose
Commissioner