Mount Sunapee Resort MDP & EMP 2015-2019 Summary and Response to Written Public Comments received as of 12.31.2014

Introduction. This report contains:

- 1. A summary analysis of the written public comments received by the Department of Resources and Economic Development (DRED) during the published public comment period pertaining to the proposed Mount Sunapee Resort Master Development Plan and Environmental Management Plan 2015-2019 (MDP/EMP);
- 2. DRED's request for additional feedback from the public;
- 3. A list of the "Next Steps" that outlines the process for DRED's decision on the MDP/EMP 2015-2019;
- 4. DRED's response to specific areas of concern frequently cited by respondents; and
- 5. A summary of specific comments by major interested parties.

Method. Comments received up to October 31, 2014, were analyzed as part of the formal written public comment period that had a deadline of September 26, 2014, and are summarized and addressed in this report. Comments received from November 1 through December 31, 2014, were tallied separately on the analysis spreadsheet. See <u>analysis spreadsheet</u>, <u>dated</u> 01/06/15.

Comments were read and tallied in the following manner: 1) responses in "opposition" or "support" of the MDP/EMP; 2) responses in "opposition" or "support" of the proposed West Bowl expansion; 3) comments that pertained to certain topic areas; and 4) whether the comments were generally "negative" or "positive" in tone. Refer to the attached spreadsheet for the topic areas and their descriptions.

Number of comments. There were 320 total number of written public comments received during the written public comment period, submitted by 303 respondents. There were 27 total number of written public comments received between Nov. 1 – Dec. 31, submitted by 26 respondents.

Opposition or Support. For the 303 respondents who submitted comments during the formal comment period, 65 respondents specifically referred to the MDP/EMP, of which 3% wrote in opposition and 82% wrote in support of the MDP/EMP. Of the 267 respondents who specifically referred to the proposed West Bowl expansion, 26% wrote in opposition and 68% wrote in support of the expansion.

In the period from Nov. 1 – Dec. 31, one respondent referred specifically to the MDP/EMP, in opposition. Of the 24 respondents who specifically referred to the proposed West Bowl expansion, 92% wrote in opposition and 8% wrote in support of the expansion.

Topics cited and general tone of comment. Comments were categorized into broad topic areas. The topics reflect the important issues expressed by the public. They enable the agency to understand the public's thinking and will help guide the agency's response to the MDP/EMP.

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The topic areas were tallied as generally "negative" or "positive" in tone. The table below summarizes the analysis for written public comments received during the formal comment period (received up to October 31, 2014).

COUNT* (%)	*COUNT: Topic ranked in descending order by count and percentage (%) of comments that referenced the topic. Reported within each topic are the % of comments that were generally negative in tone and the % of comments that were generally positive in tone
115 (36%)	Economy/Jobs Impact on the local economy and jobs. 4% negative in tone; 94% positive in tone.
72 (23%)	Environment/Natural Resources Impact on the environment and natural resources, such as land, water and air quality, wildlife, forest and plants, etc. 43% negative in tone; 49% positive in tone.
65 (20%)	Business competition Competition with other ski areas as a factor. 5% negative in tone; 92% positive in tone.
64 (20%)	Ski facilities Comments related to current or future ski facilities. 2% negative in tone; 95% positive in tone.
60 (19%)	Operator Comments about the operator (Muellers and/or Mount Sunapee Resort). 3% negative in tone; 97% positive in tone.
48 (15%)	<u>Taxes/Revenue</u> Impact on local and/or State taxes and revenue. 17% negative in tone; 83% positive in tone.
43 (13%)	Private interests Comments related to private interests. 98% negative in tone; 2% positive in tone.
41 (13%)	Real estate Comments related to real estate development. 83% negative in tone; 7% positive in tone.
32 (10%)	Tourism Impact on tourism. 0% negative in tone; 100% positive in tone.
30 (9%)	Summer facilities Comments related to the current/future summer facilities. 7% negative in tone; 87% positive in tone.
28 (9%)	Stewardship Comments related to the operator's stewardship efforts. 0% negative in tone; 96% positive in tone.
21 (7%)	Public trust Comments related to the public trust issue. 67% negative in tone; 14% positive in tone.
20 (6%)	Infrastructure Impact to local infrastructure, such as roads, community and emergency services, traffic, etc. 70% negative in tone; 15% positive in tone.
18 (6%)	Ski programs Comments related to current/future ski programs. 0% negative in tone; 100% positive in tone.

COUNT* (%)	*COUNT: Topic ranked in descending order by count and percentage (%) of comments that referenced the topic. Reported within each topic are the % of comments that were generally negative in tone and the % of comments that were generally positive in tone
14 (4%)	Public-Private Comments related to public-private interests. 57% negative in tone; 43% positive in tone.
10 (3%)	Cannon improvements Revenue to Cannon Mountain ski area. 0% negative in tone; 90% positive in tone.
8 (3%)	Aesthetics Aesthetic impacts of improvements. 63% negative in tone; 38% positive in tone.
7 (2%)	Philanthropy Comments about the operator's philanthropic efforts. 0% negative in tone; 100% positive in tone.
4 (1%)	Land conservation Impact to land conservation efforts. 0% negative in tone; 75% positive in tone.

DRED's request for feedback. The Department of Resources and Economic Development (DRED) appreciates the thoughtful and substantive comments it has received from the public. These comments and DRED's response to the public comments below are the basis for preparing the Commissioner's draft decision on the MDP/EMP.

DRED welcomes all comments, however in particular, it requests feedback on the following:

- 1. Is there an issue that is not included in this Summary and Written Response to public comments that should be, either because it was not brought up during the initial public comment period or because the issue was not adequately brought forward?
- 2. Is any factual information incorrect or misrepresented?
- 3. Is there additional detail that is needed in the responses to adequately address the issue?

Next Steps. The following outlines the planned next steps by DRED.

- 1. DRED's Commissioner has called for a meeting of the Mount Sunapee Advisory Committee on April 16, 2015, at 10 a.m. at the Town of Newbury Veterans Hall to present his draft response to the MDP/EMP 2015-2019.
- 2. DRED will open a 50-day written public comment period on the Commissioner's draft response beginning April 16, 2015 and ending on June 5, 2015 at 4 p.m.
- 3. DRED, with the assistance of the UVLSRPC, will hold a public hearing on the draft response scheduled for May 5, 2015 at 6 p.m. at Mount Sunapee Resort, Sunapee Lodge at Mount Sunapee State Park.
- 4. DRED's Commissioner will consider both the written and oral public comments and will issue his final response on the MDP/EMP. If DRED's response requires an amendment to the current Lease and Operating Agreement (the Lease), DRED's Commissioner will make his recommendation to the Governor, and subsequently, the Governor may elect to bring the matter forward to the Executive Council (G&C) for consideration.

5. Separate from those proposed projects that may require approval of a new MDP/EMP, an amendment to the current Lease, and subsequent G&C approval of such amendment, Mount Sunapee Resort will draft its Annual Operating Plan (AOP) for the 2015-2016 operating season based upon the previously approved MDP 2009-2014 and submit the AOP to DRED before May 15th. The AOP will include the Operator's implementation of the 2009-2014 MDP site improvements, including specific projects and site improvements, approved under the MDP/EMP, and proposed for implementation in the upcoming year.

Areas of concern raised in public comments. Comments were generally interpreted and recorded under "Further Comment" of the spreadsheet entitled "Written Public Comments, Working draft as of 01/06/15." Readers should consult the primary source for a first-hand understanding of the comments. These source documents are available for viewing at DRED's Concord Office.

Specific areas of concern frequently cited by respondents during the formal comment period are categorized as outlined below, and include DRED's response. The categories are:

- I. DRED's guidance, authority and criteria for considering the West Bowl proposal
- II. Ownership issues related to the proposed West Bowl expansion
- III. Recreational development and residential development of the proposed West Bowl expansion
- IV. Natural Heritage findings
- V. Environmental impacts
- VI. Impacts on the rural character
- VII. Economic issues and concerns
- VIII. Economic impact to the State/Region
 - IX. Other

DRED's response to each category of public comment, written in *italics*, is presented within the context of the Commissioner's draft response to the MDP/EMP. Language taken directly from referenced documents is in "quotes."

- I. DRED's guidance, authority and criteria for considering the West Bowl proposal. Within this category, DRED responds to the following areas of concern expressed by the public:
 - What are the State's criteria for expansion and ownership of facilities?
 - What are the legal and policy implications of the West Bowl proposal?
 - West Bowl proposal does not meet the State Parks mission; it is a breach of public trust.
 - West Bowl proposal does not meet Land and Water Conservation Fund (LWCF) requirements.
 - The State should look to the interests of all, not just the few special interest groups.
 - Skiing is only one of many other recreational uses of the Park, and other user groups should be considered equally.

 Mount Sunapee Resort should complete previously approved but not implemented projects first.

DRED's response: DRED's authority and criteria for considering the proposed West Bowl expansion are set forth in State statutes, the Lease, and the Guiding Principles for Leases adopted by the State Parks System Advisory Council.

<u>DRED's enabling statutes</u>. DRED was established pursuant to <u>RSA 12-A:1</u>, which states: "There shall be a department of resources and economic development under the executive direction of a commissioner of resources and economic development, consisting of a division of forests and lands, a division of economic development which shall include but not be limited to subdivisions of development and promotion, a division of travel and tourism development, and a division of parks and recreation. Its purpose shall be to ensure the efficient coordinated function of the 4 divisions, whereby the interests of economic development, protection and responsible management of natural resources, public enjoyment of state parks and forests, and promotion of travel and tourism development are each held to be of integral importance in the overall functioning of the department."

Pursuant to <u>RSA 216-A:3</u>: The "Department of Resources and Economic Development; Authority. — With the approval of the governor and council, the department shall have the following authority: I. Acquire, by purchase or gift, real property with recreational or historic value. II. Dispose of real property, by sale or exchange. III. Enter into agreements with other state agencies, the federal government, municipalities or other public and private agencies regarding the acquisition, development or operation of recreational areas or facilities. IV. Apply for and receive, with the approval of the governor and council, grants, donations, and other assistance to assist in the development and operation of the park system."

Pursuant to <u>RSA 227-H:3</u>, "Acquisition of Reservations. – I. The department is authorized to purchase, receive or exchange, with consent of the governor and council, lands or interests in lands for use as reservations and to make provisions for their management..."

Pursuant to <u>RSA 216-A:1</u> that sets out the mission of the state park system: "It is the intent of the general court that a comprehensive state park system shall be developed, operated, and maintained to achieve the following purposes in order of the following priority: I. To protect and preserve unusual scenic, scientific, historical, recreational, and natural areas within the state. II. To continually provide such additional park areas and facilities as may be necessary to meet the recreational needs of the citizens of all regions of the state. III. To make these areas accessible to the public for recreational, education, scientific, and other uses consistent with their protection and preservation. IV. To encourage and support tourism and related economic activity within the state."

<u>DRED's enabling criteria under the Lease</u>. With regard to the Mount Sunapee ski area, the <u>Lease and Operating Agreement</u> (Lease) is the contractual agreement between the parties. The Lease preamble states: "WHEREAS, it is the desire of the State and the Operator that the development of summer and winter recreational activities continue at Mount Sunapee for the mutual benefit of the public and the Operator;"

Section 6 of the Lease states: "The Operator shall prepare a Master Development Plan ("MDP") covering operations, facilities, site improvements and strategic plans for the ski area by June 1, 2000. The Operator's proposed MDP shall be submitted to DRED and shall be either approved as proposed or revised for resubmission. The MDP shall embody both the Operator's and the State's long term goals for the ski area and shall include all major elements of the Operator's "Proposal for the Operation of the Mount Sunapee Ski Area" submitted on April 1, 1998. The MDP shall include, but not be limited to, plans for expanding the ski trail network, construction of new lifts, construction or renovation of lodges or other facilities, additional water withdrawals from Lake Sunapee to expand snow-making capacity, upgrading or modifying infrastructure, including power, water and sewage disposal systems and such

9other improvements or modifications that are appropriate for the recreational use of the Leased Premises. The MDP shall be revised and updated every five (5) years."

<u>The Division of Parks and Recreation's guiding principles for leases</u>. The <u>Guiding Principles for Leases</u>, adopted by the <u>State Parks System Advisory Council</u> on 2/6/2012, provide the following reasons to lease (individually or in combination):

- Provides a greater capacity for stewardship
- Secures capital investment
- Captures third party programmatic capacity, experience and expertise
- [To address the] Lack of programmatic use for facility
- Provides recreational opportunities to the public not otherwise possible
- Provides a net economic benefit to the State Park System

The Guiding Principles outlines 12 points to consider as the criteria used when evaluating a lease or lease renewal, see <u>Guiding Principles for Leases</u>.

<u>Mount Sunapee State Park and the proposed West Bowl expansion</u>. Mount Sunapee State Park offers a wide variety of recreational opportunities, of which alpine skiing has historically been a major part. The concept of expanding Mount Sunapee ski area is well established.

From the New Hampshire Legislature approving and funding the construction of a tramway or other lifting device at Mount Sunapee in 1945 that resulted in the construction of the north peak chair to today, Mount Sunapee has evolved as a competitive ski area for the purposes of providing a public recreational resource, improving travel and tourism in New Hampshire and being an economic stimulus for the region.

<u>Chapter 153, Laws of 1945</u> extended and amended Chapter 190, Laws of 1940, to enable construction of a tramway or other lifting device at Mount Sunapee, thereby enabling the construction of a chairlift to the north peak: "On December 26, 1948 Mt. Sunapee's facilities opened – included were the new 3,200-foot single chairlift, three main ski trails (Chipmunk, Flying Goose, and Hansen-Chase), and two rope tows. There was also a modern building at the base and a lodge at the top of the chairlift." (See <u>Mt Sunapee Ski Area History</u>, Division of Parks and Recreation, date unknown).

In 1960, Governor Wesley Powell advocated for a rejuvenation of New Hampshire tourism including expanding the two state ski areas, Cannon Mountain and Mt Sunapee. Chapter 263, Laws of 1961, provided \$9 million for expansion of the state park system for the purpose of promoting the welfare and improving the economy of the state (see also Declaration of Purpose). The Forestry and Recreation Commission was charged: "In the performance of its duties hereunder the commission shall give equal consideration to the recreational needs of all geographic areas of the state and shall have particular concern for the following objectives: a. the development of present parks and facilities thereon to their optimum capacity for skiing, camping, and other income producing potential. b. development of any other lands and facilities that the state now owns for optimum recreational potential. c. acquisition of new areas and facilities thereon within the state, believed by the commission to have sound potential for development, use and operation as state parks, historic sites or wayside areas."

Of the \$9 million allocated, Mount Sunapee received \$2 million for extensive capital improvements based upon its Master Plan, including conversion of the North Peak chairlift, the J-Bar, Summit chair-gondola, Duckling chairlift, Province chairlift and Province slope construction, land acquisition, the park access road, the summit lodge, ski shop building, and trail construction (see Mt Sunapee Ski Area History, Division of Parks and Recreation, date unknown).

In 1985, a conceptual plan for alpine facilities improvements was commissioned by what was the Department of Public Works and Highways on behalf of DRED. The report laid out a proposed four-year phasing of improvements, including upgraded lifts, a new lift, expanded and new ski trail networks, snowmaking, and an addition to the base lodge (see report entitled "Mt Sunapee Ski Area: Conceptual Plan Report" by Ericksen Associates, Inc., dated March 20, 1986.

In 1989, potential expansion in Sun Bowl camping area had been under consideration by the State: "To create options for additional future uses in all seasons, camping facilities are upgraded so skiers can ski to the Sun Bowl after camping out, and improvements are made to the trail system for hiking, cross-country skiing and horseback riding" (see report entitled "Proposed Improvements for the Mt. Sunapee State Park Base Area" by The Cavendish Partnership, dated December 15, 1989).

In 1996, the New Hampshire legislature passed <u>RSA 12-A:29-a</u>, regarding State Ski Operations. DRED was directed to develop a lease agreement in the event that the State enters into an agreement to lease Cannon Mountain or Mount Sunapee, or both. RSA 12-A:29-a, IV.(b) required DRED to include in the lease terms the "(b) Procedures to follow when the lessee requests a permit to replace major equipment (such as a lift) or expand the ski area, cut new trails, increase snowmaking, or alter master planning requirements."

DRED, in consultation with a Joint Legislative Committee, issued a Request for Proposals for the Operation of State-owned Ski Area at Mount Sunapee State Park (RFP) on January 15, 1998. The RFP required respondents to provide their proposal for the development and expansion of the Mount Sunapee ski area: "Each proposal must respond to the requirements of the RFP by offering to provide ski area management and operation services at the ski area by stating information about the operator's financial standing, staff and resources, ski area operation experience, its proposal for the development and expansion of the Mount Sunapee Ski Area, and its payment proposal" (see Section IV. in Request for Proposals).

Okemo submitted a proposal that complied with the requirements of the RFP. Its RFP detailed plans for immediate improvements to the Mount Sunapee ski area and other improvements within the existing area of lifts and trails, and described its intention to expand the ski area outside of the existing area of lifts and trails.

Okemo stated in its <u>RFP in Section N. Proposal for Capital Improvements</u>: "3. <u>Future planning and improvements to be made in peripheral areas surrounding the current lifts, trails, and base area facilities</u>
As the planning for improvements of the existing lifts, trails and base facilities proceeds, we will explore opportunities for expanding the summer and winter recreational activities outside the existing area of lifts, trails and base facilities. We understand that thorough environmental and land capability analyses will need to be conducted prior to proposing expanded recreation improvements, and we anticipate working closely with the state in determining the scope of such expansion and delineating key resource protection areas. The improvement proposals will be included in the five year master plan."

Okemo's proposal for the operation of Mount Sunapee was incorporated into the Lease, which was approved by the State of New Hampshire in June 1998: "The MDP shall embody both the Operator's and the State's long term goals for the ski area and shall include all major elements of the Operator's "Proposal for the Operation of the Mount Sunapee Ski Area" submitted on April 1, 1998."

<u>LWCF and the proposed West Bowl expansion</u>. The proposed West Bowl expansion area traverses both private property and, at the summit, State-owned property. The area of the proposed West Bowl that is property of the State is designated in perpetuity as an outdoor public recreation property per section 6(f)(3) of the federal Land and Water Conservation Fund (LWCF) Act. Per LWCF program guidelines,

the area of the West Bowl lands that is privately owned cannot be designated as "6(f)" because LWCF funds cannot be used for recreational development of private property.

When the West Bowl is transferred to the State, it becomes part of Mount Sunapee State Park but it will not be automatically included in the "6f" boundary, as LWCF funds will not be used on this addition to the state park.

DRED did consult with NPS in 2004, when the West Bowl expansion proposal was first presented in Mount Sunapee Resort's MDP/EMP 2005-2009. NPS wrote: "In consultation with our Washington Office we have determined that the proposed addition of a ski lift and ski trails in the West Bowl of Mount Sunapee does not require National Park Service (NPS) action. This determination regarding the proposed ski lift and ski trail expansion is made based on the following: • It will involve no LWCF assistance, • It is consistent with the original purpose of the LWCF grant assistance, • It does not adversely affect outdoor recreation at Mt. Sunapee State Park, i.e. it does not reduce the recreational utility within the LWCF Section 6(f) boundary." See Letter from Roy Cortez, NPS to Gail Wolek, DRED, dated November 10, 2004.

DRED is currently in consultation with the NPS as part of DRED's review of Mount Sunapee Resort's MDP/EMP 2015-2019 to confirm that the MDP proposals are consistent with the LWCF program requirements. LWCF review will be one of the conditions of the MDP approval. (See <u>LWCF Federal</u> Financial Assistance Manual, Vol 69, October 1, 2008)

LIST OF LWCF FUNDED PROJECTS AT MOUNT SUNAPEE STATE PARK:

Project #	Project Name	Project Type	Sponsor	
3300006	MOUNT SUNAPEE STATE PARK	Development	DRED	The development of a 4,000' double chair lift,30 acres of new ski slopes, and a 6,000' access road. (1965)
3300047	MT SUNAPEE STATE PARK II	Development	DRED	The development of a new beach bathhouse and spray irrigation waste disposal system. (1971)
3300088	PILLSBURY- SUNAPEE CORRIDOR	Acquisition	DRED	The acquisition of 7 parcels of land totaling 2,012+ acres approximately 4 miles long connecting Pillsbury and Mount Sunapee State Parks,in Goshen, Newbury and Washington. (1973)
3300298	MOUNT SUNAPEE STATE PARK III	Development	DRED	The development of a group campground, access road, parking, and water; renovate North Peak chairlift. (1978)
3300377L	STATE PARK ACCESS IMPROVEMENTS	Development	DRED	Work at Bear Brook, Crawford Notch, Franconia Notch, Greenfield, Hampton Beach Bathhouse, Hampton Beach Seashell, Mt Monadnock, Moose Brook, Mt Sunapee, Pawtuckaway, White Lake. (1980)
3300431	NEW HAMPSHIRE DRED SNOWMAKING	Development	DRED	Construct a new snowmaking system with pump house/compressor building and water/air distribution lines and hydrants at Mt. Sunapee; expand existing system at Cannon Mt. (1982)
3300443	STATE PARK ACCESS IMPROVEMENTS II	Development	DRED	Develop ramps to toilet buildings, grab-bars, wide stalls, at Bear Brook (campground toilet bldg), Forest Lake (paved parking, paths, one picnic site, ramp to toilets), Pawtuckaway (ramps to toilet bldg, grab bars, wide stalls), Sunapee (beach bldg mods). (1982)

31015300459	NH DRED 1983 JOBS BILL	Development	DRED	At Bear Brook, Coleman, Crawford Notch, Ellacoya, Forest Lake, Franconia Notch, Greenfield, Mt. Monadnock, Mt. Sunapee*, Wellington, Wentworth, White Lake, Winslow. (1983)	
	* Mt Sunapee: Ski trail renovations, remodel hangar building, construct new storage building, landscape upper North Peak lift area, resurface main and beach parking lots, replace sewage system, accessibility improvements to buildings.				

<u>Implementation of proposed projects</u>. DRED acknowledges that the implementation and construction of projects are a business and financial decision of the Operator, and are dependent upon many factors, including but not limited to financing, tactical opportunities (such as the availability of used or refurbished equipment), and changes in market trends and guest expectations. DRED's approval of an MDP/EMP and an AOP does not require Mount Sunapee Resort to implement an approved project, and these approvals carry forward under the terms of the Lease unless the Operator agrees in writing to forgo an approved project.

- **II. Ownership issues related to the proposed West Bowl expansion.** Within this category, DRED responds to the following areas of concern expressed by the public:
 - Complexities of public-private ownership of the proposed West Bowl expansion as it relates to lease renewals, post-lease, and rebid.
 - Entanglement of public-private responsibilities, liabilities, and authority
 - What are the legal and operational agreements necessary for public-private facilities?
 - Who are the negotiating parties when Lessee does not own the West Bowl lands?
 - Build out of public and private development of the West Bowl is not in the MDP. What is the build out schedule and timeline?
 - State should keep a buffer zone between public and private lands, incl. any residential development
 - Approve expansion, but prohibit residential development through a conservation easement; Condos do not belong in state parks
 - Mount Sunapee Resort should put in writing that there will be no real estate development
 - Is West Bowl development dependent upon revenue from real estate development?
 - The State has a role in land use regulation and environmental protections

DRED's response: <u>Delineation of ownership</u>. The MDP/EMP proposed both public and private ownership of the lands in the West Bowl based upon a common model of the operation of ski areas on state and federal lands in Vermont, the White Mountain National Forest in NH, and other public lands in the U.S. In these cases, the ski area operator owns and controls all of the land at the base of the ski area and enters into a lease to allow the lifts and trails to cross onto public land on the upper slopes of the mountain.

While there is a well-established precedence for this type of ownership structure, DRED proposes that the lands directly associated with the recreational facilities constructed in the West Bowl area be transferred to and become property of the State, at no cost to the State, by the end of the first 10 year extension of the current lease in 2028. The boundaries of the land to be transferred (see <a href="mailto:m

restaurant, retail and rental shop, ski school and all other activities that would be directly associated with the ski area operation) and the agreements would include all additional rights necessary to support access to and the operation of the ski area (such as but not limited to road rights of way, waste water disposal, etc.). The West Bowl recreation area will become public lands and facilities, and there will be no private real estate development within the West Bowl area that is transferred to the State.

Among the rights exchanged between the parties, Mount Sunapee Resort would retain the right to use and cross the parking lot to support abutting private property, however the State would hold the real interest of the parking lot rather than accepting an easement to use a privately held parking lot.

The proposed transfer of West Bowl ski area lands at the end of the first 10 year lease extension, rather than at the time of MDP approval, is to allow Mount Sunapee Resort the opportunity to secure the financing and approvals necessary to go forward with the project, to retain the right to use the property to meet local density requirements, and other permitting and/or mitigation requirements, and to provide for the event that the lands are not transferred to the State if the project does not move forward.

The lease boundary would be expanded to include the West Bowl so the disposition of improvements to the site at the end of the lease and subsequent lease extensions would be treated the same as the improvements within the existing lease boundary, as stated in the current lease: "Site improvements built or installed by the Operator shall remain the real or personal property of the Operator during the term of this Lease. Title to all site improvements shall vest in the State upon the termination of this Lease" (see Lease and Operating Agreement, Section 7)

For DRED's response pertaining to CNL, please see Section VII. Economic issues and concerns, below.

<u>Delineation of authority, liabilities, and responsibilities</u>. DRED proposes that the West Bowl recreational facilities and lands directly associated with the recreational facilities become part of the Lease, within which the negotiating parties are well established.

DRED proposes that all activities and improvements in the West Bowl acreage to be transferred to the State, regardless of when the lands are transferred, be covered under the same processes that are set forth for activities and improvements within the existing lease boundary and terms as follows:

MDP. "The Operator shall prepare a Master Development Plan ("MDP") covering operations, facilities, site improvements and strategic plans for the ski area by June 1, 2000. The Operator's proposed MDP shall be submitted to DRED and shall be either approved as proposed or revised for resubmission. The MDP shall embody both the Operator's and the State's long term goals for the ski area and shall include all major elements of the Operator's "Proposal for the Operation of the Mount Sunapee Ski Area" submitted on April 1, 1998. The MDP shall include, but not be limited to, plans for expanding the ski trail network, construction of new lifts, construction or renovation of lodges or other facilities, additional water withdrawals from Lake Sunapee to expand snow-making capacity, upgrading or modifying infrastructure, including power, water and sewage disposal systems and such other improvements or modifications that are appropriate for the recreational use of the Leased Premises. The MDP shall be revised and updated every five (5) years" (see Lease, Section 6)

<u>EMP.</u> "The Operator shall develop and submit for approval to DRED an Environmental Management Plan adopting recognized Best Management Practices to preserve and protect the Leased Premises..." (see Lease, Section 15)

<u>AOP.</u> "On or before the 15th day of May during each year of this Agreement, the Operator shall submit to DRED an annual operating plan, including a schedule of the proposed days and hours of operation for the ski area, and a description of the types of recreational activities available to the public. The proposed schedule of operation shall be reviewed by DRED and either approved as proposed, or revised for

resubmission. DRED shall notify the Operator in writing of a final schedule of operations no later than June 30th of each year. No changes in the days of operation or the scheduled hours of operation may be made without the prior approval of DRED. The Leased Premises shall not be closed to the public except for emergency or unsafe weather conditions" (see Lease, Section 5)

The Lease requires that site improvements built or installed by Mount Sunapee Resort remain the real or personal property of Mount Sunapee Resort. The Lease also requires that Mount Sunapee Resort obtain and maintain in force during the term of the Lease comprehensive general liability insurance and fire and extended coverage insurance, in an amount not less than one hundred percent (100%) of the whole replacement value of the Leased Premises. These provisions would extend to the proposed West Bowl expansion facilities.

<u>Development on the West Bowl lands</u>. Private and residential development will not occur on the West Bowl lands to be transferred to the State and development of the ski area facilities will be subject to State review and approval. Following MDP approval and any other necessary State approvals, those West Bowl lands will be held privately but all ski area development within those West Bowl expansion lands is subject to the approval of the State in the same manner as provided for on the leased land through the AOP process.

Through the AOP process, DRED would review and approve Mount Sunapee Resort's site plan for the ski facilities and trails, whereby DRED proposes that ski trails are setback 20 feet inside of the state park boundary. Additionally, the lands in the West Bowl and private lands that abut the West Bowl are located in both Newbury and Goshen, and would be subject to local zoning, subdivision, and site plan review regulations and permitting, including local zoning setback requirements.

Additional lands donated to the state outside the West Bowl ski area development would become part of Mount Sunapee State Park as a state reservation and managed accordingly.

Pursuant to the Lease, Mount Sunapee Resort will bear the cost of the proposed West Bowl recreational improvements, therefore, financing of the West Bowl improvements are at the sole risk and responsibility of the operator. Section 7 of the <u>Lease</u> states: "The Operator shall bear the cost of all renovations and improvements and shall ensure that they are done in a good and workman like manner and in compliance with all applicable laws."

DRED recognizes that Mount Sunapee Resort's construction schedules and timelines are dependent upon many factors, including but not limited to securing financing and the completion of engineering and environmental studies, design and construction plans, State review and permitting, and local site plan review and permitting. Although specific construction schedules and timelines are difficult to project, DRED would expect that fully functioning ski lifts and terrain would be available prior to the end of the first 10 year lease extension, and that the construction of all of the proposed West Bowl recreational facilities would be completed within the lifecycle of lease term, including extensions.

There were a number of comments regarding the appropriateness of providing lodging on West Bowl lands. While there is not intent to build any lodging within the West Bowl Ski areas it is important to note that there are a wide variety of overnight accommodations offered by state park systems nationwide. The Division of Parks and Recreation provides visitors with overnight accommodations through its campground reservation system including primitive campsites, RV campsites, yurts and cabins, and the recently refurbished residential rentals located at Coleman State Park.

<u>Development on privately-held and abutting lands</u>. Additional privately-held lands owned by others that abut the West Bowl area on the upper slopes to the south are protected by conservation easements. Private lands held by Mount Sunapee Resort located on the upper slopes in the Town of Newbury and abutting the West Bowl area to the east are lands that would be transferred to DRED. Lands to the east of the West Bowl area are state park lands, and lands to the north of the West Bowl area are owned by Mount Sunapee Resort.

DRED has limited control over land use regulation on private land, as this has been established in Statute as being under the purview of the local communities through the municipal planning and zoning boards, pursuant to RSA 672:1, which states: "Declaration of Purpose. – The general court hereby finds and declares that: I. Planning, zoning and related regulations have been and should continue to be the responsibility of municipal government; II. Zoning, subdivision regulations and related regulations are a legislative tool that enables municipal government to meet more effectively the demands of evolving and growing communities; III. Proper regulations enhance the public health, safety and general welfare and encourage the appropriate and wise use of land..." DRED would have the same standing as other abutters to any development in the permitting and local approval process.

The State, through DES, has responsibility over certain aspects of land use regulation through its permitting process.

All of Mount Sunapee Resort's privately owned lands in Goshen are within the Town's Mount Sunapee Recreation District, which does not currently allow commercial or residential real estate development except for specific purposes, see Section III.A.4, Town of Goshen, NH, Zoning Ordinance and Building Ordinance, as amended on March 11, 2014, for a detailed list of permitted uses. A landowner in Goshen's Mount Sunapee Recreation District would have to apply for a variance to the zoning ordinance from the Town's Zoning Board of Adjustment or the Town would have to revise its zoning ordinances. If a variance is granted or the zoning laws are changed, then the timeline for private development would be dependent upon the same factors that impact construction schedules and timelines as mentioned above.

If development was permitted on adjacent lower elevation, private lands, Mount Sunapee Resort would have to comply with local building code setbacks from abutting property boundaries, including from the state park boundary. For the Town of Goshen, front and side/rear setbacks are currently 50-ft. and 40-ft., respectively, for residential properties and 75-ft. to 50-ft., respectively, for commercial properties (see Town of Goshen, NH, Zoning Ordinance and Building Ordinance, as amended on March 11, 2014).

The State is not liable for private property owners of private lands.

- III. Recreational development and residential development of the proposed West Bowl expansion. Within this category, DRED responds to the following areas of concern expressed by the public:
 - Less wealthy customers are being priced out; Need discounts for youths
 - Free access to ski facilities by private condo owners is a concern
 - State should not use public lands to create exclusive rights to a privileged few

DRED's response: <u>Pricing</u>. The Lease requires that the Operator's rates and prices be "competitive with similar privately operated facilities." DRED recognizes that Mount Sunapee Resort offers competitive pricing and promotions consistent within the ski industry and market conditions. This is consistent with the statutory guidance for State Parks, pursuant to <u>RSA 216-A:3-g,II</u> which states: "Fees for the use of

campgrounds and ski lifts shall be comparable with the fees for use of similar privately owned facilities. The operation of all enterprise functions within the park system, including ski lifts, food service, retail facilities, campgrounds, and other concession activities, shall be as profitable as possible, within the purposes of the park system."

Mount Sunapee Resort offers discounts for junior tickets (ages 6-12) and season passes, and for young adult tickets (ages 13-18) and season passes. Similar to many ski areas, including Cannon Mountain, Mount Sunapee Resort offers a variety of promotions and specials on lift tickets and season passes which can be accessed through its <u>website</u>. DRED received many positive comments on the youth- and community-based programming Mount Sunapee Resort has provided, as well as promotional and discounted offerings.

<u>Exclusive access</u>. DRED would propose that owners residing and/or visitors lodging in private residences and facilities abutting state park lands are not granted any rights and access to the recreational facilities on public land that are not also enjoyed by the general public. DRED does not prohibit abutters to state park properties from walking onto state park lands provided that they pay any day use fees and comply with other rules associated with the use of the parks. Skiers from abutting land would be permitted to walk onto ski trails, but would be prohibited from constructing trails to access the public ski area.

<u>Exclusive rights</u>. Mount Sunapee Resort requires all users of the ski facilities to have either a valid day ticket or season's pass. This requirement would include all users of the West Bowl ski area expansion. The West Bowl area would be operated as part of Mount Sunapee State Park's system of chairlifts and ski trails, and all users of recreational facilities on public land would be treated the same.

Through its planned donation of the West Bowl to the State by Mount Sunapee Resort, the State will ensure continued recreational use of these lands. Impacts on other recreational uses within the leasehold area are addressed in the AOP: "On or before the 15th day of May during each year of this Agreement, the Operator shall submit to DRED an annual operating plan, including a schedule of the proposed days and hours of operation for the ski area, and a description of the types of recreational activities available to the public. The proposed schedule of operation shall be reviewed by DRED and either approved as proposed, or revised for resubmission" (see Section 5 of the Lease).

- **IV. Natural Heritage findings.** Within this category, DRED responds to the following areas of concern expressed by the public:
 - References to Natural Heritage Bureau's (NHB) reports in MDP/EMP are missing or are inadequate.
 - Impacts of West Bowl expansion to old growth forests.
 - Mountain Coaster will impact old growth areas.

<u>References to NHB reports in MDP/EMP are missing or inadequate</u>. DRED's response: DRED proposes that Mount Sunapee Resort update select pages of its MDP/EMP to include updated references to and reports from the NHB as they become available, including the recently released "<u>Addendum to 2004 report on Mt. Sunapee State Park</u>," dated January 26, 2015.

<u>Impacts of the West Bowl expansion to old growth forests</u>. In November 2014, DRED updated the assessment of the West Bowl area through the NHB. This area was first surveyed by the NHB in 2004, see NHB report "<u>Evaluation of proposed ski lease area expansion on Mt. Sunapee – 11/23/2004</u>."

The NHB released its updated report on January 26, 2015, entitled "<u>Addendum to 2004 report on Mt. Sunapee State Park</u>." NHB's "[r]evisits to Polygons A and D confirmed the original assessment of the forest condition."

The 2004 NHB report described Polygon A as a 4-acre stand of northern hardwood - spruce - fir forest. Analysis showed that large hardwood trees were in the vicinity of 100-190 years of age, while individual red spruce trees were in the 130-300 year range. The report goes on to say the surrounding areas are younger and appear to have been cutover and/or hard-hit by the 1938 hurricane. The conclusion regarding Polygon A is that it was likely harvested for hardwoods in the early 1900s, and is therefore a maturing forest "of local but not statewide significance."

Polygon D was described in the report as a 16-acre tract of northern hardwood-spruce-fir forest with mature, and possibly old-growth patches. The reference to potential old-growth was one of the reasons an updated assessment was conducted by DRED during 2014. While the hardwoods were difficult to age in this area due to rotten cores, the red spruce were aged between 120 to more than 200 years. The report states that: "Polygon D is considered of statewide significance for the following reasons: 1) the condition is good to very good in that it appears to have never been logged (indicators of this are the forest history, the considerable dead and downed woody debris, and the old trees); 2) even small patches of old examples of this natural community type (northern hardwood - spruce - fir forest) are rare in throughout central and southern NH; 3) it is part of a larger mosaic of mature and old growth patches of exemplary forest on Mt. Sunapee; and 4) it is contiguous with and forms the northern extent of the large, unfragmented forest block to the south (the Sunapee-Pillsbury Highlands)." The follow-up survey in 2014 determined Polygon D not to be old-growth, but rather a mature forest that is part of the larger exemplary natural community. Under the proposed MDP, portions of a chair lift and two ski trails would be located within the boundary of this polygon.

The 2014 NHB survey also assessed the condition of an abutting parcel of private land owned by Mount Sunapee Resort (as requested by Mount Sunapee Resort) which was described as "a relatively narrow (roughly 1,500' wide) strip of land south of MSSP [Mount Sunapee State Park]. The proposed ski resort expansion would impact approximately half of this southern strip, as well as portions of the lower slope areas to the west... focusing primarily on the southern strip." NHB's description of most of this area was that while the general condition was good, it was not exemplary. However, in the northeastern corner of this parcel is an approximately 10-acre area the report describes as an area with larger trees and a condition that "may be worthy of inclusion in the exemplary northern hardwood - conifer forest system on MSSP." Next to this privately-owned parcel is a state-owned tract that has never been surveyed by NHB but "could have forest of similar quality that would provide a direct connection to the exemplary forest on MSSP."

RSA 217-A:7 states "To the extent possible actions funded or carried out by state agencies shall not jeopardize the continued existence of any protected plant species or exemplary natural community." While DRED's first emphasis is to avoid these communities altogether, any actions within or connected to these communities are considered extremely carefully in the context of all of the statutes that guide the agency and its land management, in an effort to strike the best balance. Recreation in direct proximity or within an exemplary natural community is not new to the agency, and there are several other examples, including areas with federally or state-listed threatened and/or endangered species. Examples include:

1. Mittersill Ski Area in Franconia Notch State Park—A Memorandum of Agreement (MOA) between the US Forest Service (USFS), DRED, Fish and Game and the NH Audubon Society ensures the protection, in perpetuity, of habitat for the Bicknell's thrush (Catharus bicknellii) above

- 2,500 feet elevation. The habitat is part of an exemplary natural community system described by the NHB as **high-elevation spruce fir forest system**.
- 2. Ossipee Lake Natural Area (OLNA)—The OLNA shoreline constitutes New Hampshire's best remaining exemplary natural community sandy pond shore system. The public have used the OLNA shoreline intensively since the mid-1900's and it is one of the few remaining undeveloped public areas on Lake Ossipee. In 2009, DRED published a management plan for the Ossipee Lake Natural Area. The management plan closed some areas of the shore for protection of the natural community, while other areas were left open for boaters and recreationists. The goals of the management plan are to balance protection of natural and historical resources while ensuring a clean, safe environment for recreation.
- 3. Mt. Washington State Park—The state park and adjacent national forest experience a significant number of visitors. An exemplary natural community alpine tundra system occurs in this highly utilized area. Visitors are invited to view the system, and the NHB utilizes that opportunity to educate visitors about the uniqueness and sensitivity of the plant communities that occur in that system..

Based on the 2015 NHB addendum, DRED would propose that Mount Sunapee Resort revise its proposed upgrade plans for the West Bowl ski area: The West Bowl 6 (Trail WB6) trail would be relocated outside of Polygon D, and the lift clearing for the West Bowl Express Quad (Lift M) and associated West Bowl 4 (Trail WB4) trail within Polygon D would be narrowed, see <u>map</u>. The impact to Polygon D would be reduced to 1.6 acres compared to 4.2 acres in the original proposal.

In addition to minimizing the impact to Polygon D by trail relocation and narrowing, DRED proposes the installation and annual monitoring of permanent research plots within Polygon D to monitor disturbance impacts from the chairlift corridor, to be funded by Mount Sunapee Resort.

<u>Potential impact of the Mountain Coaster</u>. The proposed location of the mountain coaster would be in the lower 3/4 of Polygon 32, described as "Polygon # 32- Stand Description: The lower ¾ of this polygon is primarily sugar maple, red maple, and paper birch, size class 3-4. It is a relatively young stand that was cut in the past." The mountain coaster would be located below the upper 1/4 of the polygon that appears to contain some areas of old timber. See "<u>Old Forests and Rare Plants at the Mount Sunapee Ski Lease Area," dated January 1999</u>.

Should DRED approve this project, Mount Sunapee Resort would need to conduct all preliminary site plan reviews, including review of potential impacts to native plants and exemplary natural communities. Mount Sunapee Resort would continue to work with the NHB during the planning and siting stages of development.

Other conservation efforts. Mount Sunapee Resort has worked toward fulfilling the request of former DRED Commissioner George Bald on February 27, 2002, for his recommendation on the expansion of the Lease boundary: "Okemo will identify a parcel of land adjacent to the Mt Sunapee/Pillsbury Greenway of at least 100 acres. The property will be acquired by Okemo and donated to the State of New Hampshire for inclusion in the Greenway. As I stated when I approved the original Master Development Plan in the fall of 2000, the Department is committed to expanding the boundaries of Mount Sunapee State Park by purchasing adjacent properties. This process presents an opportunity to move forward with that vision."

Mount Sunapee Resort purchased an approximate 208 acre parcel which will be donated to the State for inclusion in the Mt Sunapee/Pillsbury Greenway. In addition to that parcel, approximately 52 acres of additional private lands would be donated to the State for conservation purposes, ten acres of which may be worthy of inclusion in the exemplary northern hardwood - conifer forest system. Additional surveys will be needed to verify this. See Section VI. Impacts on the rural character, for more information about the conservation lands that will be donated to the State.

DRED proposes that Mount Sunapee Resort fund a survey, to be conducted by NHB, of the additional donated conservation lands and adjoining state land to determine condition of the forest and potential inclusion within the larger exemplary natural community.

Finally, DRED would propose that the Lease be amended whereby Mount Sunapee Resort agrees not to request any further ski area development in the East Bowl other than that which was approved in the previous MDP, including the construction of the Cataract Chairlift and Cataract Run ski trail in the East Bowl of Polygon 23. The remainder of Polygon 23 and all of Polygon 20 would remain undeveloped. This would codify the protection of these areas.

- **V.** Environmental impacts. Within this category, DRED responds to the following areas of concern expressed by the public:
 - Independent and updated studies are needed to assess impacts to the environment and rural character
 - Boundary monuments should be protected
 - Additional parking lot (#4) is not needed; parking needs should be re-evaluated
 - Park is becoming a theme park, rather than retaining traditional, passive recreational use
 - Impacts to Greenway and hiking trails; Reroute affected trails; Hiking trails should be accessible for year round use
 - Resort should maintain the hiking trails
 - Watershed impacts from West Bowl snowmaking
 - Maintenance of Campground Road needed

DRED's response: <u>Independent and updated studies</u>. Mount Sunapee Resort contracts studies from independent, qualified professional engineering and scientific firms. The necessary studies would be conducted to meet the permitting requirements of both the State of New Hampshire and the Towns of Goshen and Newbury. Mount Sunapee Resort would update its engineering and environmental impact studies in conjunction with its development of project design, construction, and site plans for the recreational facilities within the West Bowl area, as part of the State and local permitting process. DRED would review these studies as it approves the project in a manner consistent with the AOP process required for lands within the current lease boundary.

DRED obtains environmental information related to proposed projects from each five-year EMP, pursuant to Section 15 of the Lease: "The Operator shall develop and submit for approval to DRED an Environmental Management Plan adopting recognized Best Management Practices to preserve and protect the Leased Premises, which shall include but not be limited to: a. Water usage arid conservation; b. Septage disposal/treatment; c. Drainage, erosion and water quality issues; d. Solid waste disposal; e. Air quality and traffic congestion mitigation; f. Forestry management; g. Wetlands impacts; h. Wildlife habitat preservation; and i. Scenic and aesthetic qualities."

During the site plan review and permitting process, the engineering and environmental impact studies will be reviewed by State and local entities, including DRED (through an AOP process), DES, and the Towns of Goshen and Newbury. DES permitting will include review by the NHB and the NH Department of Fish and Game.

Boundary monuments. DRED would propose that Mount Sunapee Resort be prohibited from disturbing any boundary monuments unless approval from the Town of Newbury is provided, pursuant to RSA 472:6: "I. Any person who purposely commits or causes to be committed any of the following acts with regard to a boundary marker knowing it to be a boundary marker shall be guilty of a misdemeanor: defacement, alteration of location, or removal of a stone wall or monument, or a mark on a tree, made for the purpose of designating a point, course or line in the boundary of a tract of land or in the dividing line between towns.

- II. The provisions of paragraph I shall not apply when a boundary marker is moved pursuant to:
- (a) Mutual agreement between all landowners whose property lines are affected by the moving of the boundary, or
 - (b) Authorization by government officials in order to more accurately place the boundary, or
 - (c) A finally adjudicated court order or decree, or
 - (d) A law that requires or allows the movement or alteration."

DRED would propose that Mount Sunapee Resort include the boundary monuments in its AOP narratives and <u>mapping</u>, including their proposed preservation efforts.

<u>Parking lot #4.</u> Parking lot #4 was approved by DRED in its review of the MDP/EMP 2000-2004. Mount Sunapee Resort received site plan review approval from the Town of Newbury, but has not yet constructed Parking Lot #4. DRED issues a Special Use Permit to Mount Sunapee Resort for its use of the State Beach parking lot during the winter season, which has worked well. Should circumstances change, such as limitations on the availability of State Beach parking, Mount Sunapee Resort may elect to move forward with Parking Lot #4, provided all proper State and local review and permits are obtained.

Summer recreational development. Opportunities for traditional recreational uses such as hiking, wildlife viewing, swimming, picnicking and camping will continue to be major recreational activities available at Mount Sunapee State Park. In addition, summer recreational facilities similar to the types of facilities offered by other ski areas and consistent with activities provided in other state park systems are presently available at Mount Sunapee ski area. Mount Sunapee Resort designed the summer recreational facilities to best "fit" into the landscape and the natural environment. All of these facilities are reviewed and approved by DRED as part of the MDP/EMP/AOP process.

The expanded summer recreational facilities has contributed toward increased visitation at Mount Sunapee State Park's beach, and increased economic activity in the region.

<u>Proposed impacts of the West Bowl expansion to hiking trails</u>. Mount Sunapee Resort has provided DRED with an updated map to correctly reflect the current location of hiking trails in the West Bowl area, see <u>map</u>. DRED would propose that all recreational facilities developed in the West Bowl area be done to reasonably accommodate the current recreational use of the land. Mount Sunapee Resort, in consultation with the Sunapee-Ragged-Kearsarge-Greenway Coalition (SRKGC), has agreed to re-route the Summit Hiking Trail, if necessary. Mount Sunapee Resort also agrees to accept spring clean-up maintenance of the Summit Hiking Trail, the Province Trail, and the Lake Solitude Trail between the

summit and the lake in support of the SRKGC and the Monadnock Sunapee Greenway Trail Club (MSGTC). This trail maintenance work will be documented as part of an approved MDP.

Hiking trails, including the Summit Hiking Trail and Solitude Trail, are accessible for year-round use. Hiking trails are not currently closed during the ski season and the West Bowl expansion would not affect this policy. Through Mount Sunapee Resort's Annual Operating Plan, DRED would continue to review and approve Mount Sunapee Resort's operations, including its proposed recreational activities offered to the public; however, DRED recognizes that there are times and conditions in which limiting or restricting certain recreational uses in certain areas is appropriate for resource protection and/or public safety.

<u>Potential impacts to the watershed</u>. Mount Sunapee Resort would update its environmental impact studies in conjunction with its development of design, construction and site plans, including water resources and watershed impacts of the West Bowl ski area development. DRED would propose that the updated studies would be added as an addendum to the MDP/EMP, as the studies become available.

Mount Sunapee Resort would conduct the necessary local and state reviews and obtain the required permits associated with its snowmaking activities. During the site plan review and permitting process, the engineering and environmental impact studies would be reviewed by State and local entities, including DRED, and the Towns of Goshen and Newbury. DES would continue to fulfill its regulatory responsibilities pertaining to environmental permitting. DES permitting will include review by the NHB and the NH Department of Fish and Game.

The hydrologic study by <u>Bruno Associates</u>, <u>dated May 2004</u>, on the potential impact of snowmaking operations is contained in the MDP/EMP 2015-2019 as Appendix J. Bruno Associates reports that neither Lake Gunnison nor Rand Pond receive any run-off from Gunnison Brook which drains the lands in the West Bowl area. Lake Gunnison is fed by Blood Brook, and Rand Pond is upgradient from Gunnison Brook and hydraulically isolated from it. Snowmelt runoff from snowmaking on the West Bowl trails was conservatively calculated as a percentage of the streamflow in Gunnison Brook by using a 7-day and a 30-day melt time. A 7-day melt time, thought unrealistic but used for perspective, resulted in a 2.2% increase in streamflow during a 10-year storm event, and 1.5% increase in the streamflow during a 50-year storm event. A more realistic 30-day snow melt time resulted in a 0.5% increase in streamflow during a 10-year storm event, and 0.4% increase in the streamflow in a 50-year storm event.

The report concludes: "In summary, Lake Gunnison and Rand Pond will be completely unaffected because they are hydraulically disconnected. Storm event run-off from the proposed trails is expected to be negligible in terms of the overall watershed area, and the increase in flow that will be realized by the Gunnison Brook during spring melt is a very small percentage of its storm event flow, and is unlikely to create a noticeable impact at any bridges or culvert crossings."

<u>Campground Road</u>. Campground Road is not within the leasehold boundary. Mount Sunapee Resort is granted permission by DRED to access and use Campground Road by Special Use Permit, and has provided approximately \$10,000 towards maintenance of the road. DRED and Mount Sunapee Resort are investigating the options for the long-term repair and maintenance of Campground Road.

- **VI. Impacts on the rural character.** Within this category, DRED responds to the following areas of concern expressed by the public:
 - How will new facilities "fit" within and maintain the rural character of the area; Don't want Mount Sunapee to be like Ludlow, VT
 - State should purchase West Bowl lands to conserve as undeveloped
 - Impacts to Pillsbury-Sunapee Highlands and Quabbin to Cardigan corridor, named as Priority or Supporting Landscape in NHFG's Wildlife Action Plan
 - Climate change, weather conditions, and West-facing slopes are not conducive to skiing and snowmaking
 - Infrastructure impacts to Goshen; Resort should fund planning studies needed by Goshen
 - Brook Road is not suitable for the increased traffic; Taxpayers/Town/State will bear the cost of roadway upgrades

DRED's response: <u>Maintaining the rural character</u>. The West Bowl ski area expansion would provide for the protection of additional lands. Approximately 150 acres of private land would be conveyed to the State for purposes of expanding the ski area. In addition to those acres, approximately 260 acres would be donated to the State and added to the park for conservation and environmental protection purposes, including the application of state forest management standards, and would be available for passive recreation, such as hiking and wildlife watching.

The approximately 260 acres of conservation lands consists of a 208 acre tract as well as an additional approximately 52 acre tract which would be donated to the State for conservation purposes. These 260 acres would be excluded from the ski area lease boundary, and Mount Sunapee Resort would retain its right to use the property to meet local density requirements and other permitting and/or mitigation requirements. Preliminary assessments of these conservation acres indicate that both the 208 acre tract, as well as approximately 10 acres of the 52 acre tract, may be worthy of inclusion in the exemplary natural community system. In all, approximately 410 acres of lands would be conveyed to the State and would to be added to Mount Sunapee State Park.

Land use	Acreage (approximate)	Time of transfer to State
West Bowl ski area	150	2028
Conservation lands – Remaining Lewin- Powell tract, excluded from ski area lease	52	2028
Conservation lands – O'Connell tract, excluded from ski area lease	208	following the permitting of the ski area expansion and 1 st year of construction
Total land donation	410	

Over the years, ski lifts, trails and associated base lodges have become part of the rural character of New England. DRED, in consultation with the Mount Sunapee Advisory Committee, would continue its role in the approval of all recreational facilities through each of Mount Sunapee Resort's Annual Operating Plan, which states: "The Annual Operating Plan shall describe in detail the following operations: ... m. Implementation of Master Development Plan site improvements" (see Lease, Section 5).

DRED would also review and approve Mount Sunapee Resort's design, construction and site plans to ensure that the design and plans are appropriate for incorporation into the State Park System, as provided for in the <u>Public Involvement and Oversight Policy for Mount Sunapee Ski Area</u>, Section IV, D: "Site development in accordance to the AOP, MDP or EMP will be guided by the following: • All applicable federal, state and local permits shall be obtained by the Operator and its contractors and subcontractors, prior to the start of construction activity. • Construction plans will be submitted to DRED and the Town of Newbury or the Town of Goshen as may be appropriate, 60 days prior to construction. • DRED will review and approve plans in consultation with DES and other appropriate agencies. • Monitoring for compliance will be performed by DRED and may include inter-department or other cooperative arrangements."

Mount Sunapee Resort would be subject to local site plan review regulations and permitting processes for the Towns of Newbury and Goshen for the development of the public recreational facilities within Mount Sunapee ski area, including the West Bowl area, and any private development occurring on private lands if permitted by the Town of Goshen.

Mount Sunapee Resort-owned land to the north contains steep terrain which would be subject to the <u>Town of Goshen's building ordinances</u> pertaining to steep terrain and alteration of steep terrain.

Lands already protected by conservation easement, the addition of donated land that will be under State ownership, State and local site plan review of proposed development, and State and local regulations on steep terrain contribute towards ensuring the rural character of Mount Sunapee.

Potential impacts of the West Bowl expansion to the Sunapee Highlands. As part of its Wildlife Action Plan (WAP), NH Fish and Game Department (NHFG) ranks wildlife habitat by ecological condition, based on ranking the biological, landscape and human impact factors most affecting each habitat type and provides this information to assist in conservation planning efforts. A review of the 2010 Highest Ranked Wildlife Habitat By Ecological Condition for the Town of Goshen map identifies the West Bowl area as within a Supporting Landscape habitat, defined as: "Supporting Landscapes consists of the upland part of the watershed for surface waters, some very intact forest blocks, some known locations of WAP species and some locations of exemplary natural communities."

Based upon previous input from NHFG during their <u>2004 review</u> and field reconnaissance of the West Bowl area, there are no known occurrences of rare wildlife within or near the expansion area, however additional wildlife surveys would need to occur to evaluate any potential impacts.

Mount Sunapee Resort would update its wildlife and habitat assessment in conjunction with its development of design, construction and site plans necessary for local and state reviews and permitting. DES permitting requires review by NHB for potential impacts to protected plant communities and NHFG for potential impacts to protected wildlife.

<u>West-facing ski slopes</u>. DRED recognizes that, as is common practice in the ski industry, Mount Sunapee Resort would equip and operate the West Bowl ski area to the best advantage at any given time, based upon weather conditions, snowmaking technology, and scheduled operations.

Other ski areas with west-facing and even south-facing slopes include Bromley in Vermont, Vail's Back Bowls in Colorado, and Crans-Montana, Switzerland, and the Mittersill Ski Terrain at Cannon, which faces west-northwest.

<u>Potential impacts on the Town of Goshen</u>. Mount Sunapee Resort would update its traffic analysis in conjunction with its development of project design, construction, and site plans for the recreational

facilities within the West Bowl area, and as part of the local site plan review process and permitting, and DRED review. DRED would propose that the updated traffic analysis be included as an addendum to the MDP/EMP, when the analysis becomes available.

DRED would propose that Mount Sunapee Resort continue to work with the Town of Goshen and the NH DOT District Maintenance Office on traffic and roadway issues and concerns. Mount Sunapee Resort has indicated that it may be possible to operate the West Bowl ski area as the SunBowl area currently operates, without public vehicular access to the base.

DRED received comments in support of the West Bowl expansion from the Board of Selectmen of the Town of Goshen.

- **VII. Economic issues and concerns.** Within this category, DRED responds to the areas of concern expressed by the public, listed below. Economic impact was the most frequently cited issue by respondents and is addressed in broader terms in the following section.
 - Concerns about changes in the operator and/or the lessee; the state park has been transferred from the public to a private investment group seeking the highest return; CNL is scheduled to dissolve in 2015
 - State will not receive financial benefit from private land development Apportionment of revenue for West Bowl and facilities on private lands?
 - Approval of West Bowl will set a precedent for cross-border development and encroachment within parks statewide; Sets precedent for enabling private development through land swaps; Is State subsidizing corporate interests?
 - Operator has imported seasonal help; Jobs are part-time and for low-wages

DRED's response: Changes in the operator/lessee and CNL. The financial structures associated with the ownership, leasing and operation of ski areas can be complex. The State anticipated this in negotiating the original lease. The current Lease states: "The Operator may assign, or otherwise transfer any interest in this Agreement with the prior written approval of the State. Services required under this Agreement may be delegated or subcontracted by the Operator with the prior written approval of the State. Such approval shall not be unreasonably withheld by the State." (See Lease, Section 22)

The State provided its approval of the assignment of the Lease to CNL in 2008. An Assignment of Lease Agreements was filed recorded on December 10, 2008, at the Merrimack County Registry of Deeds (see Vol. 1713, Pg. 0467) and on December 24, 2008, at the Sullivan County Registry of Deeds (see Vol. 1713, Pg. 0467).

CNL is SEC regulated REIT focused on ski resorts, golf resorts, marinas, amusement parks and nursing homes nationwide, with a 15-year term that expires in 2015. CNL's interest in the Lease may be reassigned, delegated or subcontracted with prior approval of the State, or could otherwise be transferred back to the Operator at the end of the term of the REIT. The term of CNL's interest in the Lease was anticipated by the State and the reassignment, delegation or subcontracting of the Lease is expected to be approved by the State.

<u>Financial benefits of the proposed West Bowl expansion to the State</u>. DRED would receive direct financial benefit from the increased lease revenue payments that would be expected with increased visitation resulting from the proposed expanded ski facilities in the West Bowl. DRED proposes that, in the same manner as outlined in the current Lease, 3% of gross annual revenue generated from the West

Bowl ski facilities would be included in the reporting of revenue generated by Mount Sunapee Resort and in the Lease payments made by Mount Sunapee Resort to the State: "The Operator agrees to pay, without demand, to the State as rent for the Leased Premises a base fee of one hundred fifty thousand dollars (\$150,000) per year (adjusted annually for inflation) plus a variable fee of three percent (3%) of the Operator's gross annual revenues from the operation of the ski area, payable on or before December 31, 1998 of each year following the ski season year end" (see Lease, Section 3).

<u>DRED and economic and tourism development</u>. DRED supports economic and tourism activity and development, and collaborates with abutting and nearby private landowners and businesses for the promotion of recreational and tourism activities. There are many abutting and nearby private landowners and businesses that benefit from their proximity to state lands, such as an equestrian facility abutting Bear Brook State Park, businesses and lodging establishments at Hampton Beach State Park, an OHRV rental shop near Jericho Mountain State Park. DRED is responsible for monitoring its lands and investigating potential encroachments.

The State itself has been the beneficiary of land exchanges and facility improvements with public and private entities that have enabled the State to expand or improve economic, tourism and recreational activity and development, such as at Umbagog Lake State Park, Cannon Mountain, and exchanges with private developers within the State-wide network of trails, and land exchanges with Towns for the expansion of municipal services.

EXAMPLES OF STATE ASSISTANCE TO BUSINESSES FOR THE PURPOSE OF SUPPORTING THE STATE'S ECONOMY:

- DTTD grants for tourism promotional initiatives (<u>Res 3300</u> Rules for Joint Promotional Program)
- Parking leases to support overnight lodging businesses at Hampton Beach
- Lease of summit parking lots to Mount Washington Auto Road at Mount Washington State Park
- Bureau of Trails technical assistance to help establish the "Ride the Wilds" program to promote local businesses in the north country and trail crossings on DRED lands

EXAMPLES OF PUBLIC-PRIVATE PARTNERSHIPS:

- Collaboration with private partners for transparent operations at Mount Washington State Park
- Seacoast Science Center at Odiorne Point State Park
- Student Conservation Association at Spruce Pond Camp, Bear Brook State Park and service and interpretive work throughout the State Park System
- Cooperative efforts facilitated by the Bureau of Trails with private landowners for continued public access and use of multi-use trails
- DRED's agricultural leases to individual farmers
- Contracts with the food service concessionaire at Franconia Notch State Park
- Partnerships with local lodging establishments at Cannon Mountain
- *AMC's operation of the State's hut at Lonesome Lake*

DRED recognizes the importance of maintaining a first-class ski area that meets the needs of its guests, that retains customer loyalty, and competes in the marketplace. Since the Lease in 1998, the following New Hampshire ski areas have expanded or are in the process of expanding their ski terrain: Bretton Woods, Loon Mountain, Pats Peak, Cannon Mountain and Waterville Valley.

<u>Foreign workers</u>. Foreign seasonal workers in the United States are classified as either H2B or J3 status workers and while use of foreign seasonal workers is not uncommon in the hospitality industry, Mount Sunapee Resort states that it has not yet utilized foreign seasonal help, although they would be welcome to apply. Mount Sunapee Resort's employees have come mostly from the local area or other areas of New Hampshire. Mount Sunapee Resort takes part in local job fairs each year and its seasonal work force needs have been met from the surrounding communities.

Full-time, year-round employment at Mount Sunapee Resort has increased from 16, in 1997 prior to the lease, to 34. In addition to 34 full-time, year-round employees, Mount Sunapee Resort employs approximately 635 seasonal staff during the winter season and approximately 80 seasonal staff during the summer. Mount Sunapee Resort had a 70% average employee retention rate last year and is approximately \$4M in payroll this year.

VIII. **Economic impact to the State/Region.** DRED received many positive comments from individuals and the local communities that said that Mount Sunapee Resort is an economic driver and a good employer for the region. Impact on the local economy and jobs was the most frequently cited issue by respondents (this topic was cited 36%), with 4% of the comments generally negative in tone and 94% of the comments generally positive in tone.

DRED received comments in support of the West Bowl expansion from the Board of Selectmen of the Towns of Goshen, Newbury, Bradford, Newport, and Sunapee. DRED requested that Mount Sunapee Resort update its economic analysis of the West Bowl expansion.

The State would receive indirect financial benefit in the same ways that it does from all tourism businesses including, but not limited to, rooms and meals tax. The Towns of Goshen and Newbury would receive property tax revenue.

Mount Sunapee Resort retained RKG Associates to prepare and update to its 2004 analysis of economic and fiscal impacts for the proposed expansion. The key findings are provided below, see <u>Mount Sunapee</u> <u>Resort Update of Economic & Fiscal Impacts, dated April 7, 2015</u>:

"C. Key Findings

The following are the key findings of the economic and fiscal impact analysis of the proposed West Bowl expansion of Mount Sunapee Resort.

Town of Goshen

- Increase in Assessed Property Values \$3,861,800
- Increase in Property Tax Revenue \$91,254

Town of Newbury

- Increase in Assessed Property Values \$703,949
- Increase in Property Tax Revenue \$10,904

State of New Hampshire

- Increase in Average Annual Rooms and Meals Taxes \1 \$101,530
- Increase in Average Annual Business Profits Tax Revenue \1 \$49,472
- Increase in Average Annual Visitors to Mount Sunapee \1 35,044

Department of Resources and Economic Development

- Increase in Average Annual Lease Payment \2 \$148,167
- Increase in Conservation Land acres to Mount Sunapee State Park 250

Employment

- Increase in Full Time Equivalent Employment 23
- Increase in Total Annual Wages \$1,173,210
- \1 Annual average over next four years versus annual average from FY99 to FY15
- \2 Annual average over next four years versus annual average over FY12 to FY15"

Mount Sunapee Resort states that its Master Development Plan offers its "vision for maintaining the overall facilities at Mount Sunapee, while also maintaining Mount Sunapee's appeal to our loyal guests and our competitive standing in the New England ski marketplace" (MDP, pg. 3).

- **IX. Other.** Within this category, DRED responds to the following areas of concern expressed by the public:
 - Abutters of the West Bowl expansion area should be engaged
 - Access to West Bowl area should remain free and unfettered

DRED's response: <u>Abutters of West Bowl</u>. Mount Sunapee Resort would continue to comply with the State permitting process and local site plan review and approval process, which requires the notification of abutters. In addition, DRED and the Upper Valley Lake Sunapee Regional Planning Commission held a public hearing on the project on August 26, 2014, and there has been media coverage on the project since then. The draft decision on the MDP will be sent out for public comment, providing abutters additional opportunity for comment.

<u>Free access to the West Bowl lands</u>. The lands in the West Bowl have been in private ownership and landowners have the right to post their lands at any time. Summer and winter access by the general public would be guaranteed when the land comes under State ownership and the nature of that access would be set forth in the AOP. DRED would work with Mount Sunapee Resort to help ensure public recreational opportunities in the future.

The West Bowl ski area expansion would provide for the protection of a total of approximately 410 acres of additional lands transferred and donated to DRED. Of that total, approximately 260 acres would be available for non-ski related public access and use, such as hiking and wildlife watching, pursuant to DRED's directive under RSA 227-H:8: "Use of Land for Recreational Purposes. – Any land acquired by the department or under its jurisdiction, pursuant to this chapter, may, in the discretion of the department, be used for public recreational and park purposes, provided that such use is not contrary to the conditions incident to any bequest or gift."

Charging fees for access to public recreational facilities and areas has been established as a way to support the stewardship of outdoor resources. The Division of Parks and Recreation is self-funded through its fees pursuant to RSA 216-A:3-g which states: "Fees for Park System. – The commissioner of the department of resources and economic development, in consultation with the director of parks and recreation, shall establish fees for access to and use of the state park system. The fees approved by the commissioner, after prior approval of the fiscal committee, shall not be subject to the provisions of RSA 541-A, so as to provide the department with the ability to maximize revenues and to adjust fees according to market conditions and trends as is the common practice in private industry. ..."

Top Ranked Issue: Impact on the Economy/Jobs. DRED received many positive comments from individuals and the local communities that said that Mount Sunapee Resort is an economic driver and a good employer for the region. Impact on the local economy and jobs was the most

frequently cited issue by respondents (this topic was cited 36%), with 4% of the comments generally negative in tone and 94% of the comments generally positive in tone.

DRED, with Mount Sunapee Resort, has begun work on an economic analysis of the West Bowl expansion. DRED received comments in support of the West Bowl expansion from the Board of Selectmen of the Towns of Goshen, Newbury, Bradford, Newport, and Sunapee.

The MDP, Section I.5. History of the Lease, provides a summary of the economic benefits resulting from the Lease. See also Section VIII within this report for the economic and fiscal impacts for the proposed expansion.

"Mount Sunapee has paid the Town of Newbury approximately \$2,225,000 in local property taxes, and has paid the Town of Goshen approximately \$245,000 in local property taxes in the 16 years of the lease. Prior to the 1998 lease agreement, the Towns of Newbury and Goshen received no local property tax payments from the ski area.

"Mount Sunapee has paid the State of New Hampshire approximately \$1,855,000 in Rooms and Meals taxes since 1998, and stimulated substantial additional Rooms & Meals tax revenues from the Sunapee region for the benefit of the State's General Fund. Mount Sunapee has paid the State of New Hampshire approximately \$1,257,000 in Business Profits Taxes.

"Mount Sunapee also provides Mount Sunapee also provides significant financial support within our community. Our charitable giving emphasizes college education scholarships for our area students, support for environmental education and support for the arts in our community. We are also strong supporters of our local hospital and medical facilities. Through our charitable donations, we have provided approximately \$603,000 in the Sunapee Region in monetary charitable donations, primarily to non-profit organizations and students. In student scholarships alone, Mount Sunapee has given over \$400,000 in college scholarship awards in the past 16 years. In addition, Mount Sunapee has also donated over \$450,000 in product donations (ski lift tickets) to charitable organizations for their fundraising efforts and events in the past sixteen years.

"Additionally, Mount Sunapee is a strong economic engine in the region due to our annual employment and payroll, our annual business purchases and from ancillary spending by our guests in the community and region. In direct purchases, Mount Sunapee has purchased over \$40,000,000 in goods and services from regional businesses, contractors and service providers since 1998.

"Mount Sunapee has had an average annual payroll of approximately \$3,500,000 for the past five years compared to a \$900,000 annual payroll in the last year of operation by the State of New Hampshire. The majority of this payroll is paid locally or regionally within the greater central New Hampshire region. The mountain currently has 33 full-time year-round employees compared to 16 full time employees in 1997 prior to the lease. With the summer Adventure Park, projected payroll for 2013-14 will be approximately \$3,940,000.

"In addition to the direct economic benefits from Mount Sunapee and its guests, the resort is an economic driver that also indirectly helps other businesses and service providers in the Sunapee region by being a major attraction in our region. This generates additional employment in our area and region, and other taxable benefits to the State of New Hampshire's General Fund."

Specific comments from major interested parties. Specific areas of concern cited by major interested parties are provided below. Readers should consult the primary source for a first-hand understanding of the comments.

1. **Dept of Environmental Services (DES)** wrote that improvements must be accomplished under environmental permits and/or Best Management Practices. DES will provide

- specific comment and guidance relative to the improvements within its review of the respective AOPs.
- 2. Friends of Mount Sunapee (FOMS) wrote that they oppose the MDP as written. Their concerns include that: the omission of residential development plans, the legal and policy implications of comingling of public-private lands and improvements, the lack of relevant environmental impact studies, the MDP should reflect complete build-out, how the State will provide oversight of improvements on private land, the handling of expansion areas at the end of lease, the use of public conservation land to facilitate adjacent private real estate development which fails to meet the public interest, that the NHB 2004 report is missing from the MDP, the State should commission an economic impact study, or is otherwise "negligent," and the MDP should be revised and submitted for another public hearing and comment period.
- Goshen, Town of: The Board of Selectmen (BOS) wrote to support the concept of the proposed project and reference that the Goshen residents' recently voted to approve creation of a Recreational District in anticipation of an expansion.
- 4. Lake Sunapee Protective Assn (LSPA) wrote that the Mount Sunapee Resort has demonstrated excellent environmental stewardship, collaborated with them on several storm-water projects, that the Mount Sunapee Resort continues to be responsive to LSPA recommendations and often takes initiative for environmentally sustainable growth and practices, and that the Mount Sunapee Resort is committed to environmental education and an important member of the community.
- 5. **Lake Sunapee Region Chamber of Commerce (LSRCC)** wrote that the proposed expansion fits with LSRCC's mission statement and stands to benefit its member businesses. They wrote that the decision should be left to the people of the towns affected.
- 6. Natural Heritage Bureau (NHB) recommended additional protection of exemplary natural communities identified in 2003 and 2004 NHB documents. They request clarifications to MDP, EMP and AOP and suggested that Mount Sunapee Resort add the data from NHB 2003 and 2004 studies, provide reporting on mowing operations in areas containing a population of rare plants, and add on pg. 20 of the MDP that the 1999 NHB study recommended that old growth polygons should be studied more closely. NHB requests the ability to obtain additional information and to work with Mount Sunapee Resort during project planning and siting, and prior to project implementation.
- 7. **New England Handicapped Sports Assn (NEHSA)** (onsite adaptive sports operator since 1972) wrote in support of the expansion to improve the guest experience and enhance Mount Sunapee's position as a regional tourism leader. They were impressed with Mount Sunapee Resort's forethought, diligence, and sense of stewardship on all projects and proposals.
- 8. **Newbury, Town of** The BOS wrote in support of the concept of the proposed project. They were impressed with Mount Sunapee Resort's continued ability to balance development while maximizing environmental conservation, and wrote that Mount Sunapee Resort has proven to be good stewards of the environment, is responsive to the

- needs and concerns of Newbury land use boards and residents, and remains a good community partner in all town activities. They recognize Mount Sunapee Resort efforts to uphold Newbury's commitment for sustainable and environmentally sound growth.
- 9. **Pats Peak** wrote in full support for the expansion, citing a strong and healthy Mt Sunapee only helps all other businesses in local area along with improving the overall ski area offerings in the State. They wrote that since the privatization of Mt Sunapee, Pats Peak has enjoyed a resurgence and achieved its best financial and visitation results. While they are friendly competitors, Pats Peak wrote that their true competition is for the guests' discretionary dollars that it's crucial that the region and the State keep the ski industry in healthy shape, that skiing is a big multiplier for a strong local economy, and that a healthier Mt Sunapee improves the product of Cannon. Pats Peak wrote that they enjoy many cross brand promotional opportunities with Mount Sunapee Resort.
- 10. Society for the Protection of NH Forests (SPNHF) wrote that the lands (1185 acres, including the summit) were conveyed to the State in the late 1940's, and that the State had operated the park and ski area since 1948 (now 2300 acres). They wrote that DRED has a primary responsibility for stewardship of public recreation lands. They wrote that the Lessee has done a good job managing the skiing enterprise. SPNHF wrote that they believe the State entered into the lease for operations to occur within the existing boundary of the state park. Issues they raise are: 1) The MDP suggests "west bowl" development that includes land not owned by the State the State cannot expand a lease onto land it does not own; 2) the Lessee is not the landowner of the Goshen land proposed as the "west bowl" project, that it is problematic if owners retain the land, develop [skiing] with slope side residences, then plug into the existing lease the State cannot use public land to create exclusive rights or benefits to a privileged few that other citizens do not have access to. SPNHF wrote of the additional questions they have pertaining to west bowl development:
 - a. Is further expansion prudent and desirable
 - b. What is the State's decision-making criteria
 - c. If yes, should the State own all the land on which the lifts and trails are built to operate under one entity, on state-owned land, under one lessee
 - d. If State does not own the land, what legal and operational agreements would be necessary to merge public ski facilities and private ski facilities
 - e. Who will finance the development, and where will the dollars come from
 - f. Will there be a buffer zone between expanded ski operation and surrounding private residential development, as presently exists or may exist in the future
 - g. Is the development dependent upon any revenue from the private residential development. If so, what constitutes build-out, where will it be sited, period to completion. If not, is Mount Sunapee Resort prepared to be more firm about excluding private residential development in the west bowl.

- 11. **Sunapee, Town of** The BOS wrote of their unanimous vote to support the MDP improvements. They wrote in recognition that improvements must be made to ensure the resort remains competitive with other ski areas, and agree that there is a balance to remain economically viable and respect the unique character of the towns of Goshen and Newbury and to continue to exercise appropriate stewardship over environmentally sensitive lands. They wrote that additional questions should be answered to resolve the [sensitive lands] issues missing in the plan, as part of ongoing review and approval. They wrote in a follow up letter that the UVLSRPC letter dated 09/26/14, does a good job of identifying the issues that the State should consider in its decision.
- 12. **Sunapee-Ragged-Kearsarge Greenway Coalition (SRKGC)** Wrote to suggest that Mount Sunapee Resort be assigned responsibility for the maintenance of the Summit Trail and other year-round, four-season hiking trails that may be developed within the western slope, which can be formalized through an MOU to include volunteer trail groups. They notified DRED of errors in the MDP maps (*Mount Sunapee Resort has corrected the maps*), and emphasized the importance of the Summit Trail a 75 mile SRK Greenway that links with 50 miles Monadnock-Sunapee Greenway.
- 13. Upper Valley Lake Sunapee Regional Planning Commission (UVLSRPC) wrote that Mount Sunapee Resort is fundamentally important to the region's economy, as an employer and a tourism destination that helps to sustain locally-owned small businesses. They recognize that improvements must be made to ensure that Mount Sunapee Resort remains competitive with other ski areas. They write that public-private partnership require balance and transparency supporting economic viability while respecting the unique character of the towns of Goshen and Newbury, and exercising appropriate stewardship over environmentally sensitive lands. Other comments include:
 - a. Real estate development. They concur with former Commissioner Bald's 2002 statement that the MDP should encompass all proposed development activity associated with the operator's management of the ski area and any adjacent lands it intends to develop. They think it essential that the towns, region, and State have complete information about the scope, scale, and impacts of the expansion, on both public and private land including any residential or commercial development.
 - The 2005-2009 MDP identified the potential for 175-250 units of residential development at base of West Bowl. This omission needs resolution: if there are no plans for real estate development, now and in the future, it should be explicitly stated in the MDP.
 - b. Land/asset ownership and revenues. They wrote that as the West Bowl improvements span state-owned and privately-owned land, clarification is needed on the operational details of such an arrangement: Who will ultimately own the land and assets? How would lands and assets be merged or divided upon Lease termination, or if the Lease is not renewed or extended? They

recommend consultation with the AG's Office, in context with LWCF regulations.

They request that DRED clarify the gross revenue payment of the Lease agreement, as it will relate to the West Bowl expansion.

- c. Old growth forest. They wrote that the EMP (p. 19-20) cites a privately-commissioned study and the 1999 NHB study to assert minimal evidence of old growth forest characteristics in the West Bowl. The 1999 NHB study did not include an analysis of forests between the lease boundary and the park boundary. Rather, the NHB 2004 study did assess forest characteristics between the lease boundary and the park boundary, but was not cited in the EMP. They note that the 2004 report identified "Polygon D" to be a "mature, possibly oldgrowth patch of northern hardwood-spruce-fir forest." They recommend that the EMP be revised to include the results of the NHB 2004 report.
- d. Mountain Coaster. They wrote that the proposed Mountain Coaster appears to impact "Polygon 32" and potentially "Polygon 30," noted as having "high quality forest with small areas of old growth conditions," see NHB 1999 report. They think that additional information should be provided about the design of the coaster and any potential impacts to forests with old growth characteristics.
- e. Parking capacity. They wrote that the number of *required* parking spaces in the MDP appears to be over-estimated based on ITE Parking Generation Rates and the site-generated traffic volumes presented in the Traffic Impact Study. They therefore question the necessity of Parking Lot #4, and suggest better use of the beach parking lot to reduce environmental impacts related to increased impervious surface coverage within the State Park.
- f. Traffic impact study (TIS). They wrote that the 2004 study for the proposed West Bowl uses 2010 as a base year condition and 2020 as the horizon year, and that this information is now more than 10 years old and provides limited utility in context of current conditions. They recommend the following TIS revisions:
 - i. To update the TIS utilizing 2020 as base year condition and 2030 as the horizon year, and update background growth assumptions in coordination with NHDOT Bureau of Traffic.
 - ii. To conduct new turning movement counts at study area intersections.
 - iii. To reflect current trip generation rates, see updated Institute of Transportation Engineers Trip Generation Manual.
 - iv. To resolve errors in the traffic volumes listed in the 2004 report.
 - v. To review and amend as necessary, the proposed off-site mitigation measures to reflect updated build-out conditions.
- g. Historic preservation. They wrote that boundary line monuments of historic and perambulatory value should be identified, with a plan for their preservation included in the MDP.

- h. Other clarifications needed, include:
 - i. Location of the proposed 450-space West Bowl parking lot, the base area facility, the access roads and any other roads necessary for internal circulation should be identified on Map III-1, and any other pertinent maps in the MDP.
 - ii. The EMP does not provide detailed information about the proposed water system that would support the West Bowl expansion. They suggest that DRED should coordinate with DES Drinking Water and Groundwater Bureau to review water supply plans to resolve watershed impacts.

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