

Friends of Mount Sunapee



Mount Sunapee from Gunnison Lake, Goshen, N.H.

FOMS

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*Friends of Mount Sunapee
advocates for protection of
Mount Sunapee State Park
and its essential public values;
conservation of the Sunapee
highlands and its watersheds;
and preservation of the unique
character and natural beauty
of the rural communities in
the mountain's shadow.*

August 6, 2018

Commissioner Sarah Stewart
Department of Natural and Cultural Resources
c/o Mount Sunapee Comments
172 Pembroke Rd, Concord, NH 03301
Delivered via email: MountSunapeeComments@dncr.nh.gov

Re: Mount Sunapee State Park and the proposed ski area lease change

Dear Commissioner Stewart,

Friends of Mount Sunapee (FOMS), following over a century of preservation efforts for the mountain, advocates for the protection of Mount Sunapee State Park's unique natural heritage for current and future generations. We seek protection of its large forest ecosystems including ancient forests within the Exemplary Natural Community Systems (ENCS). Furthermore, we advocate for the protection of the public values for which our park seeks to provide.

We are mindful of the first priority of the New Hampshire state park system, according to RSA 216-A:1: "To protect and preserve unusual scenic, scientific, historical, recreational, and natural areas in the state." Furthermore, we believe that state management of the park, which includes the state-owned ski area and leasehold area, must be diligent, transparent, accountable, and further the public trust.

We welcome your willingness and that of Attorney General MacDonald to meet with us to work on concerns that we have brought to your attention regarding the ski area lease. As a point of reference, attached is a summary of FOMS positions, as of July 10, 2018, submitted to you before the July 25 meeting at Mount Sunapee State Park.

We offer these additional comments after attending DNCR's July 25, 2018, "Mount Sunapee State Park Information Session."

Concerning the state's role in the proposed transaction between the current leaseholder and operator and Vail Resorts, Attorney General MacDonald promised a robust and transparent process and ensured due diligence. Additionally, the Attorney General said that he would like to see this done by

September 1 and no later than October 1.

It is incumbent upon the state to allow the review process to go forward unencumbered by the timeline of the pending sales agreement between the current leaseholder and operator and Vail Resorts. The state's review process should be thorough, complete and publicly reviewable. The State must seize this opportunity to thoroughly review and decide complex matters free of inadequate time constraints, and which would not allow the needed transparency to ensure public trust in this process.

Concerning due diligence, we ask the State of New Hampshire to hold to account statements made by Vail Resort representative Patricia Campbell at the July 25 public information meeting and contrast that with publicly available information.

Regarding real estate development, Ms. Campbell stated: "Vail is getting out of real estate development business..., "that's not why we're here and not why we're interested in Sunapee," and "Don't intend to develop real estate here at Mount Sunapee."

Vail's publicly stated strategy on VailResorts.com states the following: "Real estate is a critical part of our mission and core business. We ensure that our Company maximizes its profit from each and every real estate project."

See <http://www.vailresorts.com/Corp/info/strategies.aspx>

See <http://www.vailresorts.com/Corp/info/real-estate-development.aspx>

This vital process, whereby the State of New Hampshire asserts its authority to protect the resources of the citizens of New Hampshire at Mount Sunapee State Park, must continue and include:

An official, recorded, and timely "public hearing" where:

- The public is informed with sufficient detail about the proposed lease change so that the public can offer comments;
- The State details the scope of the proposed lease change before entering into agreements with the parties involved;
- The public can address Vail's stated commitments to improvements and operations and the conflicting comments offered on July 25 about real estate development; and
- Questions can be asked and answered with a complete reviewable record of the proceedings.

To date, on N.H. Parks website, we see no posted answers to submitted questions and limited information detailing the proposed lease change.

We ask that you remove Vail's 11-page promotional piece from the NH Parks website as it is being offered exclusively without other public comments and, apparently, without agency vetting to ensure its accuracy and practical application to Mount Sunapee State Park.

The prompt establishment of the oversight commission with the authority to administer and manage the ski area lease as legally called for in lease-establishing legislation (12-A:29-a, V.(b). The State is lawfully vulnerable by continuing to regulate the ski area lease without the administration commission. The plain language of the law calls for: "The establishment of a prototype commission to oversee and administer the lease."

A collaborative effort to permanently protect the "West Bowl" parcels: Now is the time to bring all interested parties together to permanently protect the "West Bowl" expansion parcels and Mount Sunapee's western slopes with land conservation measures that preclude resort and real estate development and that respect the original intent of the lease and leasehold area, defined in 1998. We continue to oppose the West Bowl expansion for environmental and public policy reasons.

The documents (lease amendment and letter of conditions) governing the West Bowl expansion are legally insufficient for a transaction of this significance, according to a legal analysis of the documents provided to FOMS by attorney Arthur Cunningham. Furthermore, the project would violate the New Hampshire Native Plant Protection Act.

A publicly accessible and accountable process in regards to contract compliance. We urge you to support transparency by informing the public of who the independent auditor is, the timeframe for the audit, and the scope of the audit that Attorney General MacDonald referenced on July 25. We understand that an audit of the ski area lessees will be conducted. We urge you to make the results of the audit public. Public trust in the audit requires transparency.

A comprehensive financial and operational audit is long overdue. In the lease's 20 year history, FOMS is unable to confirm the completion of comprehensive independent audits of the ski area lessees, as provided for by the operating lease. We ask: How does DNCR ensure contract compliance with the lease without comprehensive audits and reporting verification?

Reassertion by the State of New Hampshire that it owns Mount Sunapee State Park and its ski area. Require all lessees to add "State Park" to its signage, phrasing, advertising, print, website, and social media postings, plus other promotions, as required by Land and Water Conservation Fund regulations. To date, the private corporation's (Mount Sunapee Resort's) slogan "We Are Sunapee" and its various promotional materials continue to negate the ownership of our state park by the people of New Hampshire.

We appreciate the opportunity to offer comments on the proposed lease change at Mount Sunapee State Park.

Sincerely,

Steve Russell, president
Friends of Mount Sunapee

cc: Attorney General Gordon MacDonald
New Hampshire Executive Council

Enc. Friends of Mount Sunapee, Organizational Position Overview, July 10, 2108
Vail Resorts Management Company | Strategies (<http://www.vailresorts.com/Corp/info/strategies.aspx>)