

Victoria F. Sheehan
Commissioner

THE STATE OF NEW HAMPSHIRE
DEPARTMENT OF TRANSPORTATION



William Cass, P.E.
Assistant Commissioner

November 7, 2017

The Honorable Edward Engler
City of Laconia
45 Beacon Street East
Laconia, NH 03246

Dear Mayor Engler:

It has come to the attention of the Department of Transportation that the City of Laconia is considering whether or not to financially participate in, or conduct, an economic analysis on the benefit of removing the tracks on the active state-owned Concord to Lincoln Railroad Corridor that runs through the City. It is presumed by most that the removal of the tracks would help facilitate Phase III of the WOW Trail as the railroad is currently the impediment to the expansion of their rail-trail network.

As you are aware, the Department owns the railroad corridor and has an operating agreement with the Plymouth and Lincoln Railroad Corporation that currently operates up to four passenger excursion trips per day on the line during the peak season. That operating agreement is in effect until December 31, 2021 and has a renewal provision that allows the railroad to renew the agreement for an additional ten-year period commencing on January 1, 2022. Plymouth and Lincoln Railroad has been a good steward of the state-owned railroad corridor and has worked cooperatively with the Department, the City, and the WOW Trail group to facilitate the State's first active rail-with-trail project.

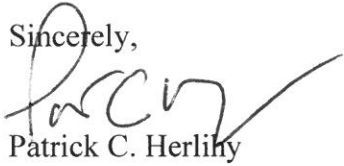
The Department is supportive of the City conducting an economic analysis of your trail system *if* that study is to ensure that policymakers and funding agencies understand the economic benefits of the WOW trail and the railroad. However, if the economic analysis is to demonstrate that the WOW trail has more of an economic benefit than the railroad and therefore the railroad should be removed from the corridor, then the Department cannot offer our support as existing and future rail service must take priority over recreational trail use in any state-owned rail corridor.

The Department, in accordance with RSA 228:60-a, purchases railroad corridors for current and future rail use and permits interim (recreational trail) use provided that the interim use would not unreasonably limit the ability to restore rail service over the right-of-way at minimum cost. Recreational trail use is permissible through Rail-Trail Agreements signed by the Department and the host municipality, as is the case with the WOW Trail and the Department's Rail-Trail Agreement with the City of Laconia, and includes language allowing for the cancellation of the agreement if rail use or other transportation uses are needed. It should also be noted that the Department has never removed an active railroad service to permit recreational use of railroad right-of-way as that approach is inconsistent with the Department's acquisition of railroad property under State law.

The Honorable Edward Engler
November 7, 2017
Page -2-

The Department is aware of the myriad of challenges facing the WOW Trail development within the railroad right-of-way and is supportive of the expansion and creation of a larger trail network, but the WOW Trail's success cannot be at the expense of the existing passenger excursion rail service that has supported tourism in the Lakes Region, including the City of Laconia, for over 25 years. The Department looks forward to continued discussions with regard to how both the Plymouth and Lincoln Railroad and the WOW Trail can coexist in the City and in the Lakes Region.

Sincerely,

A handwritten signature in black ink, appearing to read "Patrick C. Herlihy", with a long, sweeping flourish extending to the right.

Patrick C. Herlihy
Director of Aeronautics, Rail and Transit