

**New York City Department of Environmental Protection
Bureau of Water Supply**

**Land Acquisition Program
Semi-Annual Report**

July 31, 2016

*Prepared in accordance with Section 4.2 of the NYSDOH
Revised 2007 Filtration Avoidance Determination*



Prepared by: DEP, Bureau of Water Supply

**New York City Department of Environmental Protection
Land Acquisition Program
Catskill / Delaware System
Semi-Annual Report Due July 31, 2016
Reporting Period: January 1, 2016 through June 30, 2016**

**Prepared in accordance with the
New York City Filtration Avoidance Determination of April, 2014**

On January 21, 1997 the Watershed Memorandum of Agreement (MOA) was signed, followed immediately by issuance of Water Supply Permit #0-9999-00051/00001 and then on December 24, 2010 by a successor Permit by the New York State Department of Environmental Conservation (since modified as recently as June 15, 2016). These two documents, as well as the 1997, 2002, 2007 and 2014 Filtration Avoidance Determinations, provide the framework under which the City undertakes activities that lead to acquisition of real property interests for purposes of watershed protection. This report summarizes progress over the most recent six-month period and for the duration of the program to date.

Solicitation

The 2014 FAD imposes a minimum 300,000-acre solicitation goal that covers the six-year period inclusive of 2012 – 2017, including credit for up to 10,000 acres solicited by WAC annually, as well as acreage counted two-for-one if solicited under the new NYC-Funded Flood Buyout Program (“NYCFFBO”) and the Streamside Acquisition Program (“SAP”, previously known as the Riparian Buffer Acquisition Program). DEP’s 2015-2016 Solicitation Plan issued October 1, 2014 provides a schedule of expected solicitation for the subject period, which has been used to develop revised projections shown below, based in part on status of SAP and the NYCFFBO. During the first half of 2016, DEP solicited 20,912 acres. Actual and projected solicitation across the six-year period is summarized in Table 1, which schedule is consistent with the 2012-2022 Long Term Plan (“LTP”). Further review of LAP’s programming under the LTP will be presented in the solicitation plan due in October 2016.

Table 1: Actual and Projected Solicited Acres 2012 – 2017 (Goal: >300,000)

Year	DEP LAP	Accessory Programs			Credit from Acc. Programs Sat Program Credit	Totals
		WAC	SAP*	NYCFFBO*		
2012	64,904	2,439	0	0	2,439	67,343
2013	40,702	4,626	0	0	4,626	45,328
2014	38,785	10,000	0	0	10,000	48,785
2015	49,961	10,000	0	0	10,000	59,961
2016	35,000	8,000	2,000	50		45,050
2017	35,000	27,888	3,000	50		47,050
Totals	194,352	27,065			27,065	221,417

Figures in gray are projected and not included in totals

* Figures shown for SAP and NYCFFBO are twice actual to account for double-credit policy

Projects Signed to Purchase Contract

During the first half of 2016, the City signed 32 purchase contracts to acquire land in fee simple, which includes eleven contracts as part of the FEMA Flood Buyout partnerships,

as well as one purchase contract to acquire a conservation easement, in total representing 1,766 acres in the Catskill/Delaware system. Program-wide for Cat/Del, DEP alone has secured a grand total (fee simple and conservation easements) of 115,315 acres throughout the Cat/Del at a cost of \$417 million (plus an additional \$38.0 million for associated “soft” costs). During the first half of 2016, the Farm Easement Program managed by WAC (also see below) signed 1,268 acres to contract. Total land protected by DEP and WAC under the FAD in Cat/Del since 1997 thus stand at 141,263 acres¹. The attached tables provide additional details about signed contracts.

Real Property Interests Acquired

During this reporting period, DEP closed 18 contracts (fee simple and conservation easements) totaling 1,151 acres and WAC closed on 7 contracts totaling 1,029 acres. In all, as of the end of this period, the City has closed on 1,423 purchase agreements in the Cat / Del system totaling 108,331 acres. WAC has closed on 24,473 acres of the 25,948 acres it has signed to contract in the Cat-Del System.

Conservation Easements

As of the end of this reporting period, DEP had secured 25,694 acres and WAC had secured 25,948 acres under easement. Of the 141,263 acres secured in the Cat/Del overall by DEP and WAC, 36% are thus protected by conservation easements.

Associated Programs

During this period DEP adhered to all requirements of the Revised 2007 FAD and the 2010 Water Supply Permit (# 0-9999-00051/00001). In addition to the several items outlined above and other requirements that are routinely adhered to as part of LAP operations, the following programs were maintained or further developed and refined:

- **WAC Farm and Forest Easement Programs:** During the subject period, the new WAC program contract framing both the Farm Easement Program and Forest Easement Program (\$6 million, five-year pilot, as outlined in 2010 Water Supply Permit Special Condition 31), continued full implementation. Over 27,888 acres were solicited for WAC’s Forest CE Program during 2016 to date and, as required by the 2014 FAD, a contract to address WAC’s long-term stewardship has been finalized and is expected to be registered during July 2016. Total City commitments to the WAC Farm Easement Program are summarized as follows:

Original 1999 Program Contract:	\$20m
2006 allocation from \$50m Supplementary Fund (per 2/5/04 EPA letter) – spent:	\$ 7m
2007 allocation (approved 12/07) from \$50m LAP Supplementary Fund (per 1/19/06 EPA letter):	\$20m
Additional funds budgeted pursuant to NYS DOH 4/30/08 letter:	\$23m
Pilot Forest CE Program pursuant to 2010 WSP:	\$ 6m
Stewardship Endowment:	\$43m
Total NYC funding commitment for WAC Easement Programs:	\$119m

¹ This total includes 871 acres near the Cat-Del system that are entirely outside of the City’s watershed but acquired as part of typical watershed transactions. These acres were acquired in cases where it was difficult or impossible to subdivide a property that spans the watershed boundary.

Of the \$76 million allocated to acquisition of easements, \$55 million has been spent or committed to date, of which \$38 million has been spent or committed to purchasing 25,948 acres of farm easements. The difference – roughly \$17 million (31%) – has been spent on overhead, site services, and stewardship. No contracts have been signed for forest easements to date, so other than overhead and appraisal fees very little has been spent of the \$6 million allocated to the Forest Easement Program.

As a general rule, farms are usually built on valley bottomlands that contain relatively high levels of streams, stream buffers, road frontage, and moderate slopes. These same features – which facilitate watering of animals and crops, movement of material and services around the property, and access to external roads and markets – also make farmland of interest to developers, and also more compelling than many other types of properties for protection of water quality. Thus the Farm Easement Program is considered fundamental to the overall success of the City's effort to protect long-term watershed integrity.

- **Streamside Acquisition Program** (or “SAP”, previously known as the Riparian Buffer Program – see WSP Special Condition 29): in July 2015 the City and its partner, the Catskill Center for Conservation and Development (“CCCD”), began implementation of this \$5 million pilot program. Approximately 50% of these funds are expected to be available for acquisitions, with the rest being spent on start-up and overhead costs that are involved in hiring a vendor to mount the program. SAP has been initiated in the Schoharie Basin, with first solicitations (47 totaling 456 acres) made in April 2016 and over a half-dozen positive responses from landowners received to date. At this time we consider the response rate roughly in line with LAP's initial success rates and we anticipate continued good reception of the program by landowners. However, none of the hamlets that excluded LAP have elected to opt into, or open their boundaries, to the SAP initiative. Unless this status changes over time, which is possible, acquisitions will be relegated to areas outside those hamlets, partially limiting effectiveness of the program.
- **Taxes on WAC Conservation Easements** (WSP Special Condition 19a): During the reporting period, the State Legislation discussed in Special Condition 19 was passed. In the meantime the City had been making tax payments on WAC CEs acquired after 12/31/2010 in accordance with the executed PILOT agreements, and will now make tax payments in accordance with the new law.
- **Tax Litigation Avoidance Program** (WSP Special Condition 25b8): During the reporting period, the City approved CWC selection of a consultant to review the City's valuation report for the portion of Ashokan Reservoir in Marbletown, and the City and CWC finalized a template for sewer line assessment. Through April 30, 2016, CWC expenditures for TLAP totaled \$78,133.
- **Enhanced Land Trust Program** (WSP Special Condition 33): The towns of Hunter, Gilboa, Woodstock, Halcott, and Olive originally passed resolutions to opt into the program; in these five towns there were at the time six properties totaling 3,910 acres, all of which remain on the ELTP list of eligible properties. However, there has been little change in the status of the ELTP initiative due to lack of interest by the six involved landowners. The first half of 2016 represented a period for towns to opt in (or out) of the program; at the time of this writing DEP was not aware of any change in the interests of any towns to change their status with respect to ELTP. Thus while we will remain hopeful, we do not envision this

program generating sufficient interest from towns, land trusts or landowners to make it worth investing more than the minimal staff resources that allow LAP to take action if one of the six landowners indicates interest.

- **New York City-Funded Flood Buyout Program** In 2014, the City submitted to NYS DOH both a general plan and a more detailed Process Memo for implementation of this program, with \$15 million in dedicated funds. During the reporting period several stakeholder meetings were held and numerous issues solved, after which the WSP Modification was issued by NYS DEC on June 15, 2016. While a number of remaining issues continue to be discussed and resolved among the stakeholders, DEP is proceeding in parallel on several projects that appear to have support from all stakeholders regardless.

Transfer of Conservation Easements on Fee Acquisitions to NYS

DEP has conveyed a total of 75 CEs to NYS DEC covering 983 LAP-acquired fee properties that together total 65,191 acres. During the reporting period, the State recorded one CE, bringing the total recorded to 66 CEs on 56,799 LAP-acquired acres.

Irene / Lee Flood Buyout Program

Since Hurricane Irene, the City has worked with three counties (Delaware, Greene and Ulster) to implement Flood Buyouts under FEMA's Hazard Mitigation Grant Program. MOAs have been executed with Greene County, Delaware and Ulster Counties. During the reporting period, Greene County closed on one additional properties, bringing that program to a close, with a total of 15 properties acquired, eight of which are owned by the towns and seven by the City. In Delaware County, two of the six properties closed, and the remaining closings are expected in the second half of 2016. Sixteen properties remain in the pipeline for Ulster County, and closing are expected to start in August, 2016. Of the 38 properties in the three counties, 24 qualify for NYS matching funds for the local contribution, meaning that the City's considerable contribution for soft costs will eventually be reimbursed through our County partners.

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Reporting Period: 1995 to 2nd Half 2015

<u>R.E. Type</u>	<u># of Contracts</u>	<u>Acres</u>	<u>Avg. Acres</u>	<u>Purchase Price</u>
Fee	1,300	88,256	68	\$339,798,304
CE	167	25,294	151	\$70,383,344
WAC CE	137	24,679	180	\$35,480,047
	1,604	138,229	86	\$445,661,695

Reporting Period: 1st Half 2016

Fee	32	1,365	43	\$5,929,576
CE	1	401	401	\$928,719
WAC CE	8	1,268	159	\$2,414,791
	41	3,034	74	\$9,273,086

Program-to-date Sub-Totals

Fee	1,332	89,621	67	\$345,727,880
CE	168	25,694	153	\$71,312,063
WAC CE	145	25,948	179	\$37,894,838

Grand Totals:	1,645	141,263	86	\$454,934,781
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Contracts Signed - Half Year Starting: 1/2016

<u>System</u>	<u>Basin</u>	<u>Count</u>	<u>Acres</u>	<u>Price</u>
CAT-DEL	Ashokan	13	24	\$729,700
CAT-DEL	Cannonsville	3	158	\$353,800
CAT-DEL	Neversink	1	231	\$706,239
CAT-DEL	Pepacton	6	536	\$1,485,257
CAT-DEL	Rondout	1	57	\$262,628
CAT-DEL	Schoharie	9	759	\$3,320,672
		33	1,766	\$6,858,295

Contracts Signed - Half Year Starting: 7/2015

<u>System</u>	<u>Basin</u>	<u>Count</u>	<u>Acres</u>	<u>Price</u>
CAT-DEL	Ashokan	3	6	\$0
CAT-DEL	Cannonsville	3	1,664	\$2,708,583
CAT-DEL	Kensico	1	6	\$1,022,955
CAT-DEL	Pepacton	6	5	\$110,000
CAT-DEL	Schoharie	4	229	\$1,034,981
		17	1,910	\$4,876,519

Contracts Signed - Half Year Starting: 1/2015

<u>System</u>	<u>Basin</u>	<u>Count</u>	<u>Acres</u>	<u>Price</u>
CAT-DEL	Cannonsville	3	168	\$457,551
CAT-DEL	Neversink	1	84	\$188,888
CAT-DEL	Pepacton	10	893	\$3,383,292
CAT-DEL	Rondout	2	27	\$82,900
CAT-DEL	Schoharie	8	573	\$1,920,011
		24	1,745	\$6,032,642

Contracts Signed - Half Year Starting: 7/2014

<u>System</u>	<u>Basin</u>	<u>Count</u>	<u>Acres</u>	<u>Price</u>
CAT-DEL	Ashokan	2	14	\$196,720
CAT-DEL	Cannonsville	5	627	\$953,100
CAT-DEL	Pepacton	4	161	\$521,163
CAT-DEL	Rondout	1	70	\$174,300

Status: Signed, Not Closed

<u>Reservoir Basin</u>	<u># of Parcels</u>	<u>Acres</u>	<u>Cost</u>
Ashokan	16	30	\$729,700
Cannonsville	18	3,565	\$6,247,158
Kensico	1	6	\$1,022,955
Neversink	2	315	\$895,127
Pepacton	19	1,908	\$5,450,480
Rondout	3	147	\$472,388
Schoharie	29	2,482	\$9,009,604
West Branch	1	6	\$265,000
Sub-Total for Signed, Not Closed	89	8,459	\$24,092,411

Status: Closed

<u>Reservoir Basin</u>	<u># of Parcels</u>	<u>Acres</u>	<u>Cost</u>
Ashokan	212	12,575	\$41,422,797
Cannonsville	315	39,047	\$69,154,679
Kensico	18	350	\$49,089,668
Neversink	25	4,257	\$5,758,276
Pepacton	324	32,303	\$74,630,356
Rondout	148	8,816	\$19,515,207
Schoharie	310	26,422	\$86,860,925
West Branch	204	9,033	\$84,410,464
Sub-Total for Closed	1,556	132,804	\$430,842,370

Program Totals	1,645	141,263	\$454,934,781
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* Includes NYC Fee, NYC CE and WAC CE transactions

Status: Signed, Not Closed

<u>Priority Area</u>	<u># of Parcels</u>	<u>Acres</u>	<u>Cost</u>
1A	2	26	\$300,460
1B	5	138	\$1,563,082
2	14	24	\$626,500
3	24	2,555	\$6,647,620
4	44	5,716	\$14,954,748
Sub-Total for Signed, Not Closed:	89	8,459	\$24,092,411

Status: Closed

<u>Priority Area</u>	<u># of Parcels</u>	<u>Acres</u>	<u>Cost</u>
1A	127	4,729	\$32,234,330
1B	324	17,068	\$131,404,690
2	170	11,541	\$33,924,751
3	362	37,391	\$80,791,312
4	573	62,074	\$152,487,288
Sub-Total for Closed:	1,556	132,804	\$430,842,370

Program Totals	1,645	141,263	\$454,934,781
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* Includes NYC Fee, NYC CE and WAC CE transactions

Reporting Period: 1995 to 2nd Half 2015

<u>R.E. Type</u>	<u># of Contracts</u>	<u>Acres</u>	<u>Avg. Acres</u>	<u>Purchase Price</u>
Fee	1,243	83,440	67	\$324,371,815
CE	160	23,739	148	\$67,983,425
WAC CE	128	23,444	183	\$33,350,084
	1,531	130,623	85	\$425,705,324

Reporting Period: 1st Half 2016

Fee	15	666	44	\$2,655,509
CE	3	486	162	\$697,499
WAC CE	7	1,029	147	\$1,784,038
	25	2,180	87	\$5,137,047

Program-to-date Sub-Totals

Fee	1,258	84,105	67	\$327,027,325
CE	163	24,225	149	\$68,680,924
WAC CE	135	24,473	181	\$35,134,122

Grand Totals:

1,556

132,804

85

\$430,842,370



Parcels Eased or Acquired in Fee Simple: 01/01/2016 to 06/30/2016
Newly-Acquired Tax Parcels by County and Town and Closing Date
With Closing Dates Between 01/01/2016 and 06/30/2016

This report is being submitted to NYS DOH, NYS DEC and the Watershed Protection and Partnership Council in fulfillment of Paragraph 22 of the 2010 Water Supply Permit. Maps of these and all other properties acquired are provided by the City on a quarterly basis using the NYC Property ID number for cross-reference.

<u>NYC Property ID</u>	<u>County</u>	<u>Town</u>	<u>Tax Map Number</u>	<u>Location</u>	<u>R.E. Type</u>	<u>Acquired Acres</u>	<u>Closing Date</u>
2636	Delaware	Andes	325.-1-10.2	Lower Dingle Hill Road	Fee	108.54	05/13/2016
3822	Delaware	Andes	322.-1-9	Murphy Hill Road	CE	57.62	02/24/2016
7123	Delaware	Andes	260.-2-1	NYS Route 28	Fee	10.93	06/22/2016
7123	Delaware	Andes	260.-2-3	NYS Route 28	Fee	23.55	06/22/2016
7123	Delaware	Andes	260.-2-4	NYS Route 28	Fee	17.60	06/22/2016
7123	Delaware	Andes	260.-2-5	NYS Route 28	Fee	12.94	06/22/2016
7123	Delaware	Andes	260.-2-6	NYS Route 28	Fee	9.36	06/22/2016
7123	Delaware	Andes	260.-2-6 Road Area	NYS Route 28	Fee	1.87	06/22/2016
7123	Delaware	Andes	260.-2-7	NYS Route 28	Fee	15.22	06/22/2016
7123	Delaware	Andes	260.-2-8	NYS Route 28	Fee	5.74	06/22/2016
7123	Delaware	Andes	260.-2-9	NYS Route 28	Fee	5.90	06/22/2016
7123	Delaware	Andes	260.-2-10	NYS Route 28	Fee	5.67	06/22/2016
7123	Delaware	Andes	260.-2-11	NYS Route 28	Fee	10.52	06/22/2016
7123	Delaware	Andes	260.-2-12	NYS Route 28	Fee	7.75	06/22/2016
7123	Delaware	Andes	260.-2-1 Road Area	NYS Route 28	Fee	2.56	06/22/2016
8861	Delaware	Andes	260.-2-2	State Highway 28	Fee	28.89	06/22/2016
8779	Delaware	Bovina	175.-1-19.1	Mountain Brook & New Kingston Rds	Fee	134.69	03/03/2016
8815	Delaware	Bovina	151.-4-18	Martha Ln	Fee	18.15	05/26/2016
3822	Delaware	Colchester	322.-2-10	Murphy Hill Road	CE	109.63	02/24/2016
3822	Delaware	Colchester	322.-2-14	Murphy Hill Road	CE	78.73	02/24/2016
3822	Delaware	Colchester	322.-2-16	Murphy Hill Road	CE	22.29	02/24/2016



Parcels Eased or Acquired in Fee Simple: 01/01/2016 to 06/30/2016

Newly-Acquired Tax Parcels by County and Town and Closing Date

With Closing Dates Between 01/01/2016 and 06/30/2016

<u>NYC</u> <u>Property ID</u>	<u>County</u>	<u>Town</u>	<u>Tax Map Number</u>	<u>Location</u>	<u>R.E.</u> <u>Type</u>	<u>Acquired</u> <u>Acres</u>	<u>Closing Date</u>
6210	Delaware	Delhi	150.-1-78	Stanley Campbell Rd	WAC CE	80.22	01/25/2016
8815	Delaware	Delhi	151.-8-13.1	Martha Ln	Fee	2.44	05/26/2016
6205	Delaware	Hamden	277.-1-4	Basin Clove	WAC CE	76.18	01/26/2016
6205	Delaware	Hamden	277.-1-5	Basin Clove	WAC CE	45.01	01/26/2016
6191	Delaware	Kortright	65.-2-5	Roberts Rd	WAC CE	325.61	02/02/2016
3803	Delaware	Middletown	284.-1-76	Swart Road	Fee	34.23	05/03/2016
6209	Delaware	Middletown	346.-1-12	Cross Mt Rd	WAC CE	87.32	05/24/2016
8098	Delaware	Middletown	240.-3-3	Small Rd	Fee	17.49	03/22/2016
3858	Delaware	Roxbury	201.-1-62	Hawk Hollow Rd (Howard Green Rd.)	Fee	43.02	01/27/2016
4688	Delaware	Roxbury	178.-1-24	West Settlement Road	Fee	22.98	05/20/2016
6202	Delaware	Roxbury	113.-1-49	Johnson Holw Rd	WAC CE	121.18	06/15/2016
8831	Delaware	Roxbury	178.-1-8.22	West Settlement Rd	Fee	5.92	03/21/2016
8885	Delaware	Roxbury	91.-1-70.212	State Hwy 30	Fee	21.98	05/26/2016
5571	Delaware	Walton	210.-1-8	McCall Hill Road	CE	127.74	03/02/2016
6197	Delaware	Walton	210.-1-10.1	Mccall Hill Rd	WAC CE	232.47	01/25/2016
7531	Delaware	Walton	188.-2-6.1	Russell Rd	Fee	50.19	05/26/2016
6185	Greene	Halcott	158.00-4-43	Route 3	WAC CE	60.77	05/24/2016
8897	Greene	Halcott	174.00-2-17	Elk Creek	Fee	31.05	03/10/2016
8721	Greene	Hunter	182.00-7-4	Cortina Valley	Fee	5.37	03/08/2016
8721	Greene	Hunter	182.00-7-5	Cortina Valley	Fee	5.08	03/08/2016
2340	Schoharie	Gilboa	207.-2-11	South Gilboa Road	CE	89.76	02/18/2016
8816	Sullivan	Neversink	28.-1-3.3	John George Rd	Fee	5.92	03/15/2016
Grand Totals:			Count: 43			2,180.08	