

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

**CWC Local Flood Hazard Mitigation Program
Funding Evaluation**

December 2015

*Prepared in accordance with Section 4.6 of the NYSDOH
2007 Revised Filtration Avoidance Determination*



Prepared by: DEP, Bureau of Water Supply

CWC Local Flood Hazard Mitigation Program Funding Evaluation

Introduction

This report is in fulfillment of the Filtration Avoidance Determination requirement which states that by December 31, 2015 the New York City Department of Environmental Protection (DEP) will:

“Submit a report to NYSDOH/EPA and NYSDEC that evaluates the status of CWC LFHMP funding, specifically evaluating funding needs through 2017.”

Under the Revised 2007 FAD, DEP is required to provide \$17 million to the Catskill Watershed Corporation (CWC) for the purpose of supporting flood hazard mitigation projects in the West of Hudson watersheds.

Such mitigation activities may include the relocation of flood affected businesses and critical community facilities, the modification of public infrastructure/streams/floodplains, the elimination of potential sources of pollution, the removal of hazardous flood debris, and the protection of property affected by flooding.

Establishing the CWC Program Contract and Funding

In 2015, a \$17 million contract between the DEP and CWC for the Flood Hazard Mitigation Implementation Program (FHMIP) was registered with the NYC Comptroller. Work under the contract commenced on June 1, 2015.

DEP made its initial payment under the contract to CWC in September 2015.

As of September 2015, the CWC had spent \$76,104.23, from the FHMIP funds for the costs of salaries, fringe benefits, and administrative expenses –including administrative expenses incurred prior to contract registration. To date no funds have been spent on projects.

Program Implementation Budget

On May 6, 2014, CWC adopted a set of program rules for the FHMIP. CWC established the first round of grant funding for June 1, 2015, and later added a second grant round for December 1, 2015.

Three grant applications were submitted to CWC in June 2015 from the Village of Walton for feasibility studies associated with a floodplain restoration recommendation from that municipality’s completed Local Flood Analysis (LFA). One of these applications has been approved for funding with a total commitment of \$10,000 as of December 1, 2015. Between project commitments and program expenses (including anticipated year-end administrative expenses) it is anticipated that the uncommitted balance to the contract will be approximately \$16,850,000 at the end of 2015.

With the completion of several more LFAs anticipated in 2016, it is expected that there will be a gradual increase in the number of applications and commitment of funds under this program.

Based on the results of several of the LFAs to date (see Map of LFA status), DEP does not expect a significant increase in the funds requested under the program in the next 24 months. This is supported by the following factors:

1. To date there are only a few high cost projects with eligible benefit cost ratios that have been identified by the LFAs. This is largely a function of the low value of calculated benefits versus the high cost of potential projects;
2. The number of applications, for large and costly LFA recommended projects are limited by the complexity of such major projects. Most communities need to conduct feasibility studies to work out details of such projects. As a result, in the near-term we expect to continue to receive applications for feasibility studies to the CWC FHMIP rather than for construction;
3. Business relocation applications to the FHMIP are tied to the ability of the City to conduct buyouts of those businesses under the City-funded FBO program. The delay in the Water Supply Permit modification has put this category of eligible applications on hold and will defer applications into the future.

Conclusion

Based on the limited funds requested to date, the anticipation that municipalities will need more time before they are ready to submit larger projects for funding and the lag created by the delay in modifying the Water Supply Permit, it is anticipated that the initial allocation \$17 million for this program will be adequate through 2017. DEP and the Stream Management Program partners at Soil and Water Conservation Districts and Cornell Cooperative Extension of Ulster County will continue to identify viable projects through the LFA process and move more municipal projects into the application process for design, construction and relocation funding.

New York City DEP - Stream Management Program
 Local Flood Analysis Status as of December 2015 - West of Hudson

