The city of New York has set aside $260 million for land acquisition and conservation easements in high priority areas to protect its Delaware/Catskill water supply. It has applied for $27 million in the form of low interest CWSRF loans. The City is acquiring land and conservation easements and providing financial support for BMPs as an alternative approach to ensuring the safety of its drinking water. The City hopes that this project will result in compliance with the surface water treatment rule without employing a more costly filtration option. This alternative will provide both environmental benefits (e.g., water quality improvements, open space and habitat protection) and economic benefits. In this approach, the City will spend $1 billion over the next 10 years, instead of $5-8 billion for the construction of a new filtration plant. After five years, EPA will conduct a final filtration avoidance determination to evaluate whether this approach will work for the long term.

In 1995, New York City, the Governor and upstate communities created a partnership to reduce pollutants in the Catskills watershed. They signed a Memorandum of Agreement in 1997 that included land acquisition, new watershed regulations, development of a watershed protection partnership council, and funding for upstate communities to implement pollution reduction activities. New York City is still designing a filtration plant for the Catskill/Delaware system in case the filtration avoidance process does not work.

Drinking water for New York City is provided by the Croton, Catskill and Delaware watersheds and supplies nine million people—half of the state’s population. These watersheds cover 2000 square miles and 19 reservoirs and supply the city with 1.6 billion gallons of water per day. In these watersheds, New York City owns 7 percent of the watershed lands and the state of New York owns another 20 percent. 355,000 of the 1.2 million acres in the watershed have been determined priority areas and eligible for acquisition. These priority areas are adjacent to reservoirs and major tributaries in the system. 6,000 acres have been purchased and other lands are under contract.

These loans would address nonpoint source pollution and are consistent with the New York’s Nonpoint Source Management Plan.