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SAVING THE LAND THAT MATTERS MOST

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**New York State Joint Legislative Hearing on
2016-17 Executive Budget Proposal
Environmental Conservation**

THURSDAY, JANUARY 28, 2016
HEARING ROOM B
LEGISLATIVE OFFICE BUILDING, 2ND FLOOR
ALBANY, NEW YORK

TESTIMONY PRESENTED BY:

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Introduction

Scenic Hudson works to protect and restore the Hudson River and its majestic landscape as an irreplaceable national treasure and a vital resource for residents and visitors. Our team of experts combines land acquisition, support for agriculture, citizen-based advocacy and sophisticated planning tools to create environmentally healthy communities, champion smart economic growth, open up riverfronts to the public and preserve the valley's inspiring beauty and natural resources. To date, Scenic Hudson has related or enhanced more than 65 parks, preserves and historic sites and conserved more than 35,000 acres, including more than 13,000 acres of working farmland in the Hudson Valley.

We advance these capital projects by collaborating with federal, state and local governments, and private citizens, as well as investing our own charitable funds, to arrange the necessary community and financial support necessary for success. In this context, Scenic Hudson staff are proud to serve on Governor Cuomo's Regional Economic Development Council for the Mid-Hudson Region, the Department of Environmental Conservation's Region 3 & 4 Open Space Committees, the Hudson River Estuary Program's Management Advisory Committee, Sea Level Rise Task Force, and other environmental stewardship programs, as well as the Advisory Board for the Hudson River Valley Greenway Communities Council.

Summary of Budget Requests

- Scenic Hudson supports the Governor's appropriation of \$300 million for the Environmental Protection Fund (EPF) and asks that the legislature prioritize funding for Open Space/Land Acquisition, Hudson River Estuary Management, Farmland Protection, Municipal Parks, Waterfront Revitalization, Hudson River Trails, Environmental Justice, and Natural Resource Damages programs, as well as the proposed new climate adaptation and resilience programs.

Scenic Hudson notes that the demand for grants and services provided by the Hudson Estuary Management line item in the EPF exceeds the amount of the proposed appropriation and respectfully requests \$6.5 million in total funding for the program., an increase of \$1.5 million over the Governor's budget proposal.

- Scenic Hudson supports the Governor's appropriation of \$166,000 for the Hudson River Valley Greenway Conservancy and \$136,000 Hudson River Valley Greenway Communities Council, and, separately, the companion Hudson River Trails program (in the EPF).
- Scenic Hudson commends the Legislature and Governor for implementing the Water Infrastructure Improvement Grants Act of 2015, the Governor for including \$100 million of additional funds in his budget proposal, and cites that need for the program is closer to \$800 million annually.

Praise for the Legislature and Governor for a Successful 2015-16 Budget

The Legislature and Governor ended 2015 with major successes to celebrate, including passage of the Hudson Valley Agricultural Enhancement Program, raising the cap on the state's Oil Spill Response Fund, expanding the Environmental Protection Fund, and investing in water and wastewater infrastructure through the Water Infrastructure Improvement Act of 2015. In addition, the Regional Economic Development Councils continued their work to prioritize job-creating investments throughout the state. These programs are having a tremendous and positive impact on communities in the Hudson River Valley. These investments established the momentum needed to address the Hudson Valley's most pressing environmental needs and set the stage to maintain the state's commitment to these issues in the coming year.

Progress in Implementing 2015 Hudson Valley Agricultural Enhancement Program

2015 marked a landmark year for Farmland Protection in New York State. The 2015-16 final budget included \$15 million for statewide farmland protection through the EPF, and \$20 million for the new and one-time Hudson Valley Agricultural Enhancement Program enabled through bank settlement funds. These investments placed New York among the top states investing in farmland protection. Demand for these programs in the Hudson Valley – from Westchester and Rockland Counties north to Saratoga and Washington Counties – remains high, with more than \$20 million of projects potentially competing for the Hudson Valley Agricultural Enhancement Program and statewide Farmland Protection Program combined.

Governor Cuomo's Budget Addresses Hudson Valley's Most Significant Infrastructure Needs

This year, the Governor has proposed a suite of strategies that build on last year's budget successes and address the state's challenged environmental infrastructure. They are:

- \$300 million for the Environmental Protection Fund, and a statement of support to maintain this level of funding in future years. This is nearly twice the level present in the 2015-16 budget, and consistent with the intent of the 2007 Environmental Protection Fund Enhancement Act passed by the Legislature. The EPF generates \$7 in economic activity for each \$1 invested, according to a study by the Trust for Public Land, and supports 350,000 jobs across a spectrum of industries, including outdoor tourism, agriculture and protecting drinking water. EPF funding has been successfully directed to projects in every county of the state;
- \$250 million for the Water Infrastructure Improvement Act of 2015, to be spent over the next two consecutive years. This proposal builds on the Legislature's creation of the program by committing an additional \$100 million above what was agreed to in the 2015-16 budget. The proposal makes an important step forward in addressing the \$800 million in annual needs for water and wastewater infrastructure identified by the New York State Comptroller;

- Continuation of the Regional Economic Development Council Program and related regional development programs through the EPF and the Hudson River Valley Greenway Conservancy and Council.

Collectively, these investments will help achieve important policy goals for New York State, including investing in our downtowns and community centers, supporting the upstate agricultural economy, advancing a substantive tourism agenda and meeting the state's goal of reducing greenhouse gas emissions by 40% while meeting 50% of the state's energy needs through renewable sources by 2030.

The Hudson River Valley is a critical geography for New York State in achieving these objectives because it is the critical link between New York City and upstate. Scenic Hudson is organizing to play a critical role as a convener, investor, and implementer of multiple projects that will achieve this vision and can be further implemented by mobilization of the budget categories detailed in this testimony.

Recommendations to the Legislature for the 2016-17 Budget

Support \$300 million Environmental Protection Fund (EPF)

The Governor has proposed \$300 million for the EPF for 2016-17, and stated his interest in maintaining this level of funding in his 5-year financial plan. This commitment is nearly twice the amount of funding provided in last year's budget and if implemented in full will represent the most significant investment in the state's environmental infrastructure of our time. There has been much applause for this proposal by the state's environmental community, and Scenic Hudson would like to acknowledge the Senate and Assembly for their stalwart support and promotion of the EPF that has led to this important victory.¹ Scenic Hudson would also like to acknowledge and support the Governor's 2016-17 plan for the EPF in that it is backed by cash in the financial plan.

Benefits of the EPF have been well documented. The fund generates \$7 in economic activity for each \$1 invested, and supports 350,000 jobs across a spectrum of industries, including outdoor tourism, agriculture and protecting drinking water, according to a study by the Trust for Public Land. Moreover, the EPF has been successfully directed to projects in every county of the state.²

Local governments, not-for-profits and businesses in the Hudson Valley benefit tremendously from the EPF. Legislative support for the \$300 million EPF will allow the region to maintain its momentum to take full advantage of its burgeoning agricultural and \$5 billion tourism economies, and create meaningful quality of life attractions for residents and new businesses.

In Scenic Hudson's experience, EPF funds will help address the goals of many community-based plans that are being implemented in the region, including portions of the Regional Economic

¹ The EPF Enhancement Act of 2007 called for a \$300 million EPF – S.503/A.8339 of 2007

² <http://www.keepprotectingny.com/the-epf/reports-and-data>

Development Council for the Mid-Hudson Region and Capital District, the Open Space Conservation Plan, the Hudson River Estuary Program's Action Agenda, and the work of the Hudson River Valley Greenway Conservancy and Communities Council.

In particular:

- The **\$20 million statewide Farmland Protection Program** will help advance the goals of Scenic Hudson's 2013 report, *Securing Fresh, Local Food for New York City and the Hudson Valley: A Foodshed Conservation Plan for the Region*.³ This ground breaking document – the first-of-its-kind in the nation – is a comprehensive study outlining plans for protecting the region's most productive agricultural lands and has been recognized in the state's draft Open Space Conservation Plan, the Mid-Hudson Regional Economic Development Council's Strategic Plan, as well as the Mid-Hudson Consortium's Regional Sustainability Plan. Conserving Farmland delivers a multitude of benefits, including providing fresh, local food to urban populations, supporting the rural economy, and helping to protect water quality.⁴ Scenic Hudson supports the proposed \$20 million allocation to this program and believes it is "right sized" for the agency's capacity to implement within a reasonable timeframe.
- The **\$40 million Open Space/Land Acquisition and \$20 million Municipal Parks Programs** will create new and better access to existing state parkland and community open spaces, and in many cases help Hudson Valley Communities protect natural buffers that serve to absorb the energy of flooding and severe storms, which are often attributed to global warming and climate change. Scenic Hudson's *Saving The Land That Matters Most* campaign is using the latest available information in conservation science and Geographical Information Systems to identify the open spaces that will yield the greatest public benefit if they are protected.⁵ These investments have significant potential to leverage federal funds recently secured with bipartisan support from the US Congress, including \$10 million for the Highlands Conservation Act⁶ and a record level of investment in the Land and Water Conservation Fund. Benefits of state investment in Open Space Land Acquisition and Municipal Parks are detailed in Scenic Hudson's 2015 report *Land Stories*.⁷

The **Conservation Partnership Program** is funded at \$2 million as a component of the Open Space/Land Acquisition category and is a critical tool to support the work of the state's professional land trust community as a partner in achieving several conservation policy objectives of the NYS Department of Environmental Conservation. Scenic Hudson staff co-

³ http://www.scenichudson.org/sites/default/files/Foodshed_Conservation_Plan6.pdf

⁴ <http://www.scenichudson.org/sites/default/files/farmland-finance-report.pdf> & <http://www.scenichudson.org/sites/default/files/Local-Food-Pathways-rev.pdf>

⁵ <http://www.scenichudson.org/successstories>

⁶ <http://www.highlandscampaign.org/conservation-act>

⁷ http://www.scenichudson.org/sites/default/files/LandStories_2015_web_0.pdf

chair the Land Trust Alliance's New York Policy Advisory Committee and supports the testimony of the Land Trust Alliance as it relates to this program.⁸

- The **Hudson Estuary Management Program** is poised to have a tremendous impact in the Hudson Valley in the coming year; however additional funds beyond the proposed \$5 million are needed to meet demand for grants administered by the program. Scenic Hudson respectfully requests \$6.5 million for the program. The program's 2015 State of the Hudson Report summarizes many of these needs,⁹ while its Action Agenda lays out a plan to address them through 2020.¹⁰ Funds directed to the Hudson Estuary Management Program focus on supporting local community's work to achieve clean water, protect and restore fish, wildlife and their habitats, provide water recreation and river access, adapt to climate change, and conserve the region's world-famous scenery. A portion of the funds included in this line item are directed to the Mohawk River Valley, the Hudson River's largest tributary, and are an appropriate use of funds in this context. Scenic Hudson would like to acknowledge that this year's proposal for the EPF *does not* finance the Peconic Bay Estuary Program through the Hudson Estuary Management Program, and instead places the Peconic Program under the Oceans and Great Lakes Initiative. Scenic Hudson supports this proposal by the Executive.
- The new **Climate Change Mitigation and Adaptation** programs represent an important new direction for New York State and have promise to address many of the state's most pressing needs that result from increased frequency of severe storms, floods, and other impacts associated with global warming and climate change. Scenic Hudson understands that these programs are newly envisioned and will be developed in the coming year. Some of the work that will be addressed by these new programs was piloted in the Hudson River Valley, notably through Scenic Hudson's Sea Level Rise Mapper and Sea Level Rise Task Force developed in collaboration with the NYS Department of Environmental Conservation and NYS Department of State.¹¹
- The **Natural Resource Damage** sub-line item of the **Environmental Health** program in the EPF is proposed to be funded at \$1.95 million. This increase in funding is important so that the state can assemble materials necessary to make the case for an impending Natural Resource Damage Claim being advanced by the NYS Department of Environmental Conservation, the federal Fish and Wildlife Service and National Oceanic Atmospheric Administration to compensate the New York State residents for damages from Hudson River PCB pollution caused by the General Electric Company.¹²

⁸ <http://www.landtrustalliance.org/what-we-do/our-regional-programs/northeast/new-york-program/new-york-state-conservation-partnership>

⁹ <http://www.dec.ny.gov/lands/51492.html>

¹⁰ <http://www.dec.ny.gov/lands/5104.html>

¹¹ <http://www.scenichudson.org/slr/mapper>

¹² <http://www.dec.ny.gov/regulations/2411.html>

- The **Environmental Justice** category of the EPF has also been increased. Scenic Hudson supports New York State policy and budget appropriations that focus on underserved communities.

Support Water Infrastructure Improvement Act Funds

In last year's budget, the Legislature proposed and the Governor accepted, a new three-year program to improve communities' access to capital funds to advance water and wastewater infrastructure improvement funds. In addition to being a major highlight of the 2015-16 environmental budget, demand for the program was high, and the funds for its first round have now been exhausted. Last year's budget called for \$75 million to be spent in 2017, and an additional \$75 million to be spent in 2018. The Governor has responded in his 2016-17 proposed budget with a \$100 million increase to the program over the next two years, or \$125 million per year. This increase is welcome as an \$800 million annual demand has been documented.¹³

Studies by Scenic Hudson's partner organization, Riverkeeper, and other Hudson Valley organizations, indicated that the US Environmental Protection Agency's own criteria for safe swimming in the river, its tributaries and New York Harbor often fail to be met.¹⁴ Funding for drinking water and wastewater infrastructure is critical for the health of the Hudson River, the sustenance of the Hudson Valley's outdoor tourism economy, and the ability of the state's downtowns and community centers to reinvent themselves and attract new investment.

Scenic Hudson encourages the Legislature to match the Governor's level of investment and, if possible, identify additional bank settlement funds that can be directed toward the program without jeopardizing other environmental programs.

Support the Regional Economic Development Councils, the Hudson River Valley Greenway Conservancy and Council, and related programs in the Environmental Protection Fund

In Scenic Hudson's experience, the most successful collaborations result when state agencies and the private sector advance environmental and economic goals in tandem in the context of a regional plan. This has certainly been the case with the Governor's Regional Economic Development Council strategy – Scenic Hudson's President Ned Sullivan serves on the Mid-Hudson REDC. The collaboration has brought together once isolated interests and focused the collective energy of the region on advancing a single economic development plan. This year's budget proposal includes a competition for ten \$10 million grants to the municipality in each REDC region with the best downtown revitalization plan. The Mid-Hudson Region is fortunate to be home to multiple cities, nearly all of which are in the process of reimagining what could be possible with targeted investments through this new program.

¹³ <http://www.timesunion.com/tuplus-opinion/article/Drinking-wastewater-systems-need-significant-6785631.php>

¹⁴ http://www.riverkeeper.org/wp-content/uploads/2015/06/Riverkeeper_WQReport_2015_Final.pdf

In addition Scenic Hudson supports the Governor's budget proposal for the **Hudson River Valley Greenway Conservancy and Council**. The Executive Budget proposes \$166,000 to support operations of the Conservancy, and \$135,000 to support Aid to Localities through the Greenway Council's grants program. These investments are flat with recent year funding, and will leverage \$491,000 in federal funds directed through the National Heritage Area Program. There are many projects in the Hudson River Valley which communities now take for granted, but who owe their beginnings to catalyst grants provided by the Greenway, including the Walkway Over the Hudson State Park, Hudson Highlands Fjord Trail, Westchester River Walk, Catskill to Olana Skywalk trail, and many other initiatives that are reimagining the future of waterfronts, managing natural resources and creating access to the Hudson River and protected open space for the region's diverse populace and visitors.

Statewide, the Governor has also allocated his economic development agencies a \$50.5 million tourism campaign fund, up \$5 million from this year. He also proposed a Catskill Challenge modeled after the Adirondack Challenge from previous years. Scenic Hudson supports these investments. Promotion of the Hudson Valley's natural environment is a key aspect of the state's tourism infrastructure, and is expected to benefit from this program.

Conclusion

Scenic Hudson thanks the Senate and Assembly for their previous support in the state budget and encourages strong support of the Governor's proposals for the Environmental Protection Fund, Water Infrastructure Improvement Grants, Regional Economic Development Councils and Hudson River Greenway Conservancy and Council in the 2016-17 budget. Our organization's professional staff members are engaged as collaborators with New York State and local communities in implementing funds from these important programs and welcome questions from the Legislation about how we are working to convene stakeholders and mobilize funds.