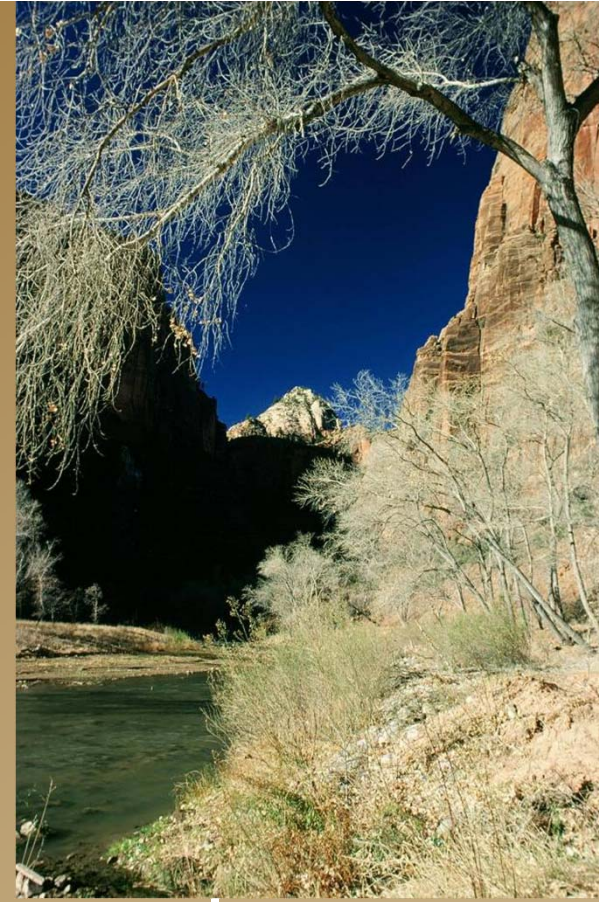


The Nature  
Conservancy



Protecting nature. Preserving life.™

# Making the Case for Conservation of Freshwater Ecosystems, and Potential Sources of Funding





## Why Conserve, Restore or Protect?

- Significant and growing demand for natural areas and the many valuable ecosystem services they provide – limited supply too!
- Once lost or damaged, it is very costly to replicate or replace such assets – if this is even possible
- Conservation is cost effective
- Conservation generates significant economic benefits



## Watershed Services Provided by Forests and Wetlands

- Water Quality – Natural filtration of excess nutrients and contaminants
- Water Supply and Flow Regulation
  - Natural regulation of both surface and ground-water flows
  - Natural flood protection
- Aquatic Productivity – The quality of fisheries is closely linked to upstream watershed conditions



# NYC Watershed Protection Program – Water Quality

- \$6 billion for a new treatment plant, or
- Invest in Watershed Protection
  - Purchase of land, conservation easements, and development rights
  - Pay to improve wastewater treatment facilities and failing septic systems
  - Encourage environmentally friendly development
  - Pay farmers to implement BMPs and other conservation practices





# NYC Watershed Protection Program – Water Quality

- Benefits
  - NYC has spent about \$2 billion (so far), but avoided spending well over \$6 billion
  - Upstate NY Economy – \$100m per year
    - Jobs for Local Contractors and Business
    - Supplemental Farm Income
    - Ecotourism
  - NYC watershed areas and the NY Environment are much better off!



## Additional Examples



- Flood Control – Boston, MA
  - Charles River Flood Hazard Management Program
  - Purchase of wetlands to better manage flood risks
- NC Ecosystem Enhancement Program
  - Restore, enhance, preserve and protect wetlands, streams and riparian areas
    - Quality of life benefits
    - Ensure continued economic growth

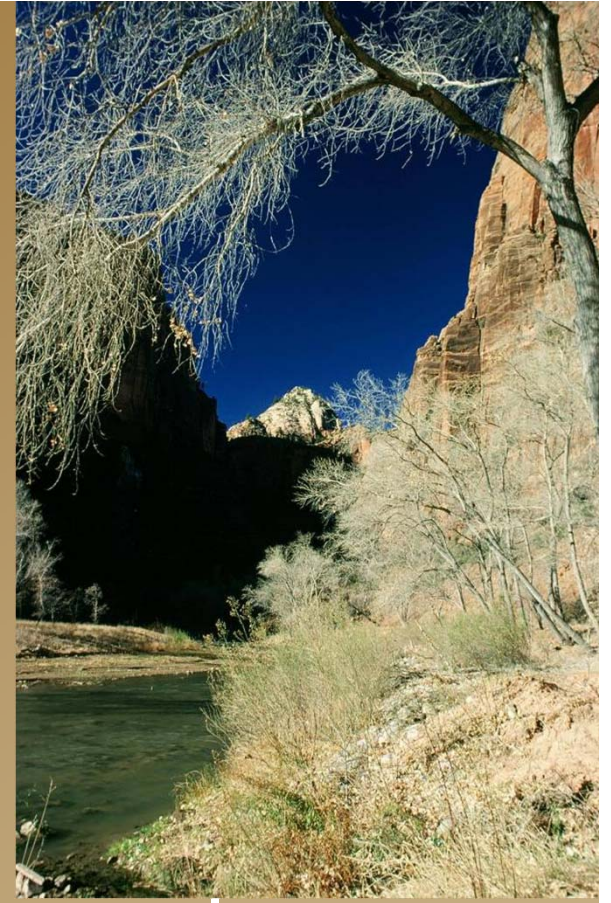


# International Examples

- Water Funds – Latin America
  - Downstream beneficiaries of watershed services make payments to...
  - Upstream landowners to implement conservation practices in order to...
  - Ensure the continued delivery of high-quality watershed services
  - Many examples and variations on this simple approach throughout the world



# Sources of Funding





# Elements of a Successful Conservation Funding Strategy

- Successful communities secure funds from a variety of sources including federal, state, local, private, etc.
  - Generate significant amounts of funds
  - Avoid reliance on a few unpredictable funding sources
- Link environmental goals with other community priorities such as habitat protection, recreation benefits, and historic preservation





# Elements of a Successful Conservation Funding Strategy

- Substantial Dedicated Local Funding
  - Established by initiative or referendum
  - Allows for greater control over projects and demonstrates a local commitment to conservation
  - Can be used to leverage additional sources of state and federal funds
    - Use locally generated funds to meet program matching requirements





## State Role

- Policies that Encourage Conservation
  - Enabling legislation – allows local ballot initiatives to generate dedicated funding
  - Financial incentives – in the form of matching grants and low-interest loans
- Substantial State Investment
  - Establish dedicated funding sources
  - Sales, Real Estate, or Resource Severance Taxes, Impact or User Fees, Tax Credits, Lottery Proceeds, General Obligation Bonds, Revenue Bonds, etc.



# State Directed Federal Grant Programs

- CWA State Revolving Fund Programs
  - CWSRF – Water Quality Protection
  - DWSRF – Source Water Protection
- Nonpoint Source Pollution Programs
  - Section 319 Grants
  - Section 106 Grants
- Land and Water Conservation Fund - Stateside
  - Acquisition of easements to protect wildlife habitat and water quality

# Federal Funding Sources

- Farm Bill Programs
  - Conservation Reserve (& Enhancement) Program
  - EQIP
  - Wetlands Reserve Program
  - WHIP
- Other Sources of Federal Funds
  - Wetlands Program Development Grants
  - NAWCA – Standard and Small Grants
  - Land and Water Conservation Fund – Federal





# Resources

- Internet Search
  - Payments for Ecosystem (or Watershed) Services
  - Conservation Finance, Water Funds
- Conservation Organizations and Land Trusts
  - The Trust For Public Land
  - TNC, EDF, WWF, etc.
- Examples and Pilot Programs
  - Willamette Partnership – WA
  - Puget Sound Partnership – WA
  - Deschutes Water Conservancy – OR



A landscape photograph showing a river flowing through a canyon. The river is in the foreground, reflecting the light. The canyon walls are made of layered rock, and there are some green bushes and trees along the banks. In the background, a large rock formation is visible. A rainbow is visible in the sky above the canyon. The overall scene is illuminated by warm, golden light, suggesting sunset or sunrise.

Questions or Comments?  
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