



June 26, 2014

The Honorable Andrew M. Cuomo  
Governor of New York State  
NYS State Capitol Building  
Albany, NY 12224

Dear Governor Cuomo,

You have been a long-time friend of New York State's environment — both as Attorney General and as Governor — and all of us at NRDC appreciate everything that you have done and are doing to protect New York's air, water and land for our state's 19 million residents.

We are writing to you today, however, because of our concern that a proposed action by the New York Environmental Facilities Corporation (“EFC”) could jeopardize environmental progress in New York and threaten to undermine one of the nation's most important clean water funding programs.

The EFC proposal, which is being considered by the EFC board of directors tomorrow, would grant low-interest and no-interest loans totaling \$511.45 million from the state's Clean Water State Revolving Fund (“CWSRF”) to the New York State Thruway Authority to support projects related to the construction of the New NY Bridge, commonly known as the Tappan Zee Bridge.

Based on the information we have seen, NRDC believes the vast majority of the projects to be covered by the proposed the loans are not appropriate for CWSRF support, and thus we disagree with EFC's opinion that they are eligible for CWSRF financing. While we recognize the importance of securing the necessary funds for construction of the new Tappan Zee Bridge and the benefits of low-interest financing, we do not believe monies should be diverted from the CWSRF, the state's principal source of support for municipal wastewater and stormwater infrastructure, and used to support projects not directly linked to such purposes.

NRDC is also troubled by the lack of transparency exhibited by the EFC in making this decision and the rush by EFC to gain approval for making the loans. The public was not made aware of the EFC's plan to issue the loans until notice was given in the June 11<sup>th</sup> Environmental Notice Bulletin.<sup>1</sup> Moreover, the CWSRF's 2014 Intended Use Plan has still not been amended to reflect the proposed Tappan Zee projects, nor has there been a public comment period on an Intended Use Plan amendment. Indeed the last IUP amendment was published in February 2014, and no

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<sup>1</sup> *ENB State Notices 6/11/2014* available at [http://www.dec.ny.gov/enb/20140611\\_not0.html](http://www.dec.ny.gov/enb/20140611_not0.html)

reference to these projects was included in that document.<sup>2</sup> Final approval of the loan was quickly scheduled for the June 26<sup>th</sup> meeting of the EFC's board of directors.<sup>3</sup> It certainly appears that EFC has rushed its decision-making and bypassed important aspects of what is supposed to be a public process.

Finally, we are convinced that issuing CWSRF loans for projects related to bridge de-commissioning and reconstruction could set a damaging precedent for CWSRF funding nationally. Such loans, if advanced as proposed, could make it more likely that New York and states across the country would be tempted in the future to divert CWSRF and Drinking Water State Revolving Fund ("DWSRF") resources to any number of projects, however worthy, but whose connection to water resources and water infrastructure is tenuous, at best.

As you know, New York State and the nation as a whole find themselves facing serious infrastructure deficits. This is particularly true of our water infrastructure, where the needs are only increasing as wastewater, drinking water, and stormwater systems become further stressed by extreme weather events, periods of drought, sea level rise and other impacts of climate change. Indeed, your Department of Environmental Conservation has been a leader in seeking additional funding for clean water and drinking water infrastructure over the years. And Superstorm Sandy further demonstrated all too well how vulnerable our water infrastructure is and the demands that the CWSRF and DWSRF must help meet.

In sum, diverting funds to projects that do not clearly and convincingly fit the intended purposes of the CWSRF is ill-advised and could lead New York and other states in the wrong direction. For this reason, NRDC does not support the EFC's proposal to issue these loans from the CWSRF to the Thruway Authority. And we urge you to direct the EFC to not go forward with the proposed loans.

Sincerely,



Peter Lehner  
Executive Director

cc: Environmental Facilities Corporation Board of Directors  
Matthew Driscoll, President and CEO of EFC  
Basil Seggos, Deputy Secretary for the Environment  
Judith Enck, USEPA Region Administrator

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<sup>2</sup> *Final Intended Use Plan Clean Water State Revolving Fund for Water Pollution Control* available at [www.efc.ny.gov/Default.aspx?tabid=112](http://www.efc.ny.gov/Default.aspx?tabid=112)

<sup>3</sup> *Materials for Upcoming Board Meeting* available at [www.efc.ny.gov/Default.aspx?TabID=76&fid=455](http://www.efc.ny.gov/Default.aspx?TabID=76&fid=455)