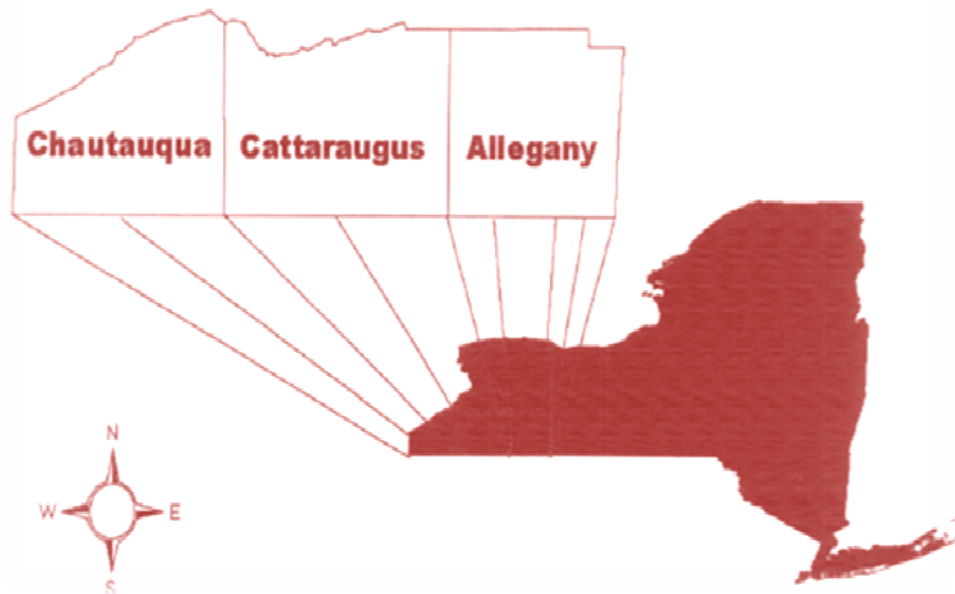

Southern Tier West Regional - Comprehensive Economic Development Strategy



*for the New York State Region of
Allegany, Cattaraugus, and Chautauqua Counties*

this report was prepared by:



Southern Tier West

Regional Planning and Development Board

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CEDS

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Introduction

What is a “CEDS”?

This **Comprehensive Economic Development Strategy**, hereafter referred to as “**CEDS**”, is an inclusive compilation of the projects, goals, objectives and strategies for economic development in New York State’s Southern Tier West Region (Allegany, Cattaraugus and Chautauqua Counties). The CEDS provides a detailed economic analysis of the region and a plan for economic recovery through described strategic initiatives. It evaluates the success of recently implemented programs and projects and is a tool with which to define and improve upon regional economic conditions.

The **Southern Tier West Regional Planning and Development Board**, hereafter referred to as “**Southern Tier West**”, annually prepares this Comprehensive Economic Development Strategy under federal contract with the US Department of Commerce’s Economic Development Administration (EDA). The 2009 CEDS fulfills Southern Tier West’s statutory obligation to prepare a comprehensive regional plan and conforms to EDA requirements concerning its planning process, format and content. Southern Tier West is pleased to play this leadership role in charting the region’s future.

Interested readers are encouraged to reference the following supplemental documentation prepared by Southern Tier West and available as free downloads from the Southern Tier West web site (www.southerntierwest.org):

- **Regional Economic Development Strategic Plan:** updated in 2001, a policy-based perspective on regional economic development strategy prepared for the 2000 Commission for the Future
- **Regional Development Strategy:** a comprehensive development strategy including regional priorities and organizational data
- **Regional Transportation Strategy:** a comprehensive strategic plan for the maintenance and improvement of the regional transportation infrastructure
- **Comprehensive Project List:** a listing and description of all proposed projects for the region – information obtained from project sponsors, county planning and health departments, and other third party sources
- **Statistical Abstract:** statistical data and maps for the region

The CEDS Process

In compliance with state legislation and as a matter of policy, Southern Tier West’s Board of Directors functions as the **CEDS Planning Committee**. Board members include:

James Cooper, Chairman
Robert Keis, Vice Chairman
Susan Myers, Secretary

Allegany County

Jerry Scott
Theodore Hopkins
John Margeson
Susan Myers
Brent Reynolds
Curtis Crandall, Ex-Officio

Seneca Nation of Indians

Lucille White

Cattaraugus County

Crystal Abers
Charles Couture
Joseph Eade
Robert Keis
William King

Chautauqua County

James Cooper
William Daly
Greg Edwards
Shaun Heenan
Allan Hendrickson

The Board of Directors guides the development of the CEDS; however Southern Tier West actively solicits input into the planning process to insure an inclusive evaluation of the region. The EDA requires a CEDS to incorporate relevant material from other government-sponsored or supported plans and to remain consistent with applicable workforce investment strategies. This CEDS has been devised in cooperation with constituent counties and municipalities, development organizations, service agencies, as well as the business community and resident population.

Specific requests for input into the CEDS are provided to County Planning Departments, County Development Departments, County IDA's, County Health Departments, Empire Zones, municipalities, NYS Empire State Development, agencies, past project sponsors, private sector actors, and others. Although the private sector does not have a formal role in the development of the CEDS, public-private sector partnerships are critical to regional economic development activities and therefore Southern Tier West actively solicits private sector input.

CEDS Implementation

Southern Tier West considers public and private sector partnerships to be critical to the implementation of the CEDS and gains a private sector perspective by having representatives of the private sector on its Board of Directors and by working alongside private sector companies and individuals in day-to-day operations and project activities. Southern Tier West hopes such public-private sector dialogue will act as a catalyst for collaborative economic development action in the region. Some examples of Southern Tier West's private sector cognizance include:

- Hosting the 2007 Economic Summit that brought together public and private sector representatives to discuss future economic development issues
- Soliciting private sector input during the 2000 Commission on the Future, which helped target specific economic clusters in economic development goals, objectives, and strategies
- Working with engineering firms that service regional companies and municipalities to ensure an understanding of regional economic development priorities
- Working with companies and institutions on the US Route 219 initiative, the I86 initiative, local highway corridor planning, and the regional strategic transportation planning process
- Establishing the Southern Tier West Development Foundation, which for many years has had a strong private sector representation on its Board
- Working with private companies on disaster preparedness and broadband roll-out and utilization

Most economic development initiatives, such as industrial park development, training programs, and infrastructure projects, are developed in conjunction with one or more beneficiary firms. Accordingly, the private sector is intimately involved in both the project development and the project implementation. During the implementation phase, the beneficiary firm is involved either in direct project implementation (e.g., training of employees or prospective employees) or in undertaking an activity induced by the initiative (e.g., building construction in response to the development of an industrial park or expanding operations in response to the extension of infrastructure). Recent examples of this include:

- **Southern Tier Extension Mainline Railroad system** - This 145-mile long east-west railroad was a critical catalyst for the initial economic development of southwestern New York and northwestern Pennsylvania. On its own, (under ownership by the Erie Lackawanna Railroad, then Conrail, then Norfolk Southern) the line had fallen dormant and was no longer a vehicle for economic activity in the region. Through a partnership between the public sector (NYS Department of Transportation, Southern Tier West, affected counties, local municipalities and school districts) and the private sector (Norfolk Southern and Western New York and Pennsylvania Railroad) this situation reversed. The railroad line has since been salvaged, service has been restored, railroad business activity is commercially viable, and the line is again serving as an engine of business development in southwestern New York and northwestern Pennsylvania.
- **US Route 219** – Through this initiative, a group of varied private sector institutions (the Route 219 Association) has come together with the public sector to address the need for the completion of the Route 219 limited-access highway. The interaction of the private and public sector has been central to recognizing the economic development importance of this infrastructure project and achieving the required public sector capital investment.
- **Western New York fiber optic loop** – This current project of Southern Tier West will provide redundancy in broadband service, higher volume service availability, and initial service to many portions of the region. The scope of this project is dependent upon private and public sector service demand (businesses,

universities, hospitals, small business as well as local municipalities that are moving to implement e-government initiatives and residential users). The implementation of this project is likewise dependent upon the ability of the public sector (Southern Tier West) to work with the private sector (a consortium of 8 different telecommunications companies).

Executive Summary

In the midst of a historic recession, rural southwestern New York is struggling with the rest of the nation to remain economically competitive. Despite mitigating measures taken by Congress and the Federal Reserve, the duration and severity of this economic downturn remains unclear and the region is showing clear signs of longtime economic sensitivity. Layoffs, higher unemployment, business closures and outmigration are all regional trends reflecting longtime regional development struggles as well as the distressed state of the national economy. Implications of such trends continue to unfold and will become increasingly clear in future editions of this document.

Data indicates that for decades the rural Southern Tier West region has experienced economic distress greater than either New York State or the nation. In the last year, this situation has not improved. Unemployment continues to be well above State and national averages; incomes continue to be below State and national incomes; incomes fail to keep pace with inflation; and businesses and residents continue to migrate out of the region. The region's economic health and quality of life are dependent upon its ability to retain and regain economic competitiveness.

The region is experiencing a long-term transformation from a manufacturing-based economy into a service-based economy. To attain the goal of a net-export surplus, it is critical for the region to maintain and grow value-added sectors of its economy – be they manufacturing, service, or agricultural. The region must seize opportunities in clusters where its economy enjoys a competitive advantage and there is significant economic growth potential.

This 2009 CEDS provides a description of the region and its economic condition, an analysis of the regional economy, and a statement of economic goals and objectives. It contains two lists of projects, a suggested and a vital projects list, which contain economic development projects that are planned for implementation over the next year. It contains a proposed implementation strategy, a proposed method for evaluating economic development and planning activities, and a review of lessons learned.

Within the 2009 CEDS for the Southern Tier West Region, such immediate and long-term problems are described:

- A declining manufacturing sector that is outsourcing production and jobs
- A lack of global competitiveness within significant portions of the manufacturing sector
- Failure to create high-skill, high-wage jobs in a diverse portfolio of industry classifications
- Long-term population decline with concentrated outmigration of young, skilled population
- An aging population that is straining the health system and fiscal capacity of local governments
- A need for new skills training for current and future workforce
- Low college completion rates compared to state and national averages
- A narrow range of educational services for youth, displaced workers, older workers and immigrants
- Increasing public assistance/income assistance burdens
- Failure of private and public sectors to adopt new technologies
- Failure to embrace the global marketplace
- Inadequate availability, capacity, and competitive rate structures of infrastructure (e.g., water and wastewater systems, natural gas and electric service, broadband telecommunications, etc.)
- Inadequate transportation infrastructure and access to global markets (e.g., mainline and short line railroad, air transportation, public transit, and federal, State and local highways and bridges)
- Unfavorable New York State business climate (e.g., tax climate, workman's compensation, and other business cost drivers)

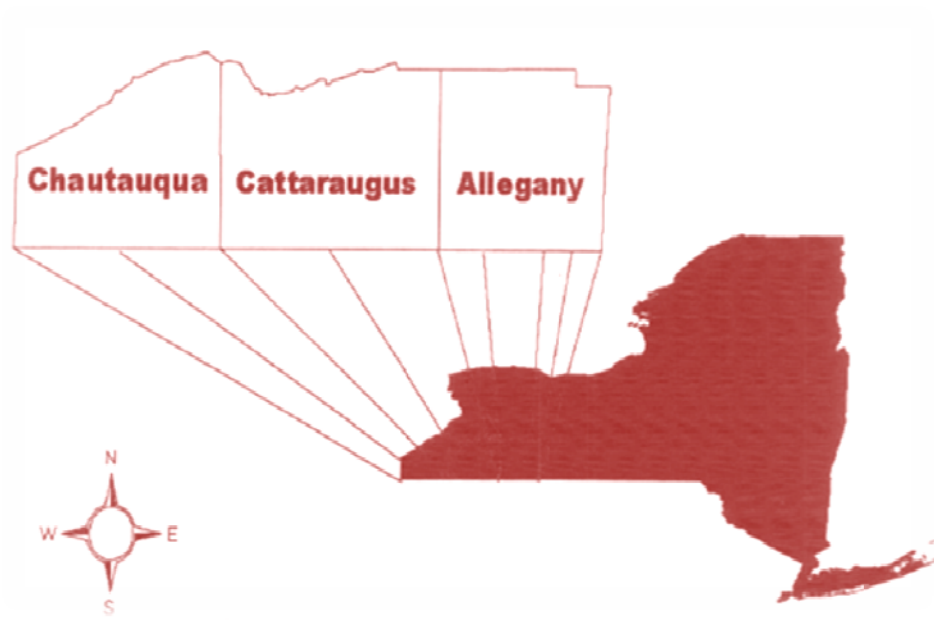
Also included in the CEDS document are the following threats to the region's quality of life:

- Unemployment rates that are higher than State and national rates
- Deteriorating per capita personal incomes
- Increasing municipal operating costs
- Flat or declining municipal tax bases
- Struggling health care system

- Exhaustion of the region's housing stock
- Improper environmental and conservation practices
- Underinvestment in regional infrastructure
- Homeland security, man-made disaster, and natural disaster issues

- June 2009

Southern Tier West Regional - Comprehensive Economic Development Strategy



Regional Economic Profile

Overview

The regional economic profile is a comprehensive assessment of the region that provides baseline data for the economic development strategies put forth in this CEDS. With traditional statistical indices, it outlines long-term economic distress and a historical failure of the regional economy to rebound from economic downturns at the same rate and extent as other regions in the State. The following is generalization of the economic development situation of the region set forth in this section.

Geography

- Primary land use activities include forest/woodland and agriculture
- Climate and soils promote certain agricultural (dairy and grape production) and forest products industries, however a short growing season constrains other agricultural endeavors
- The region has a world-class variety of hardwoods including maple, ash, red oak, and black cherry
- Natural resources include climate and soil, oil, petroleum, natural gas, gravel, water, and recreational assets

Population

- Large geographic size making for low population densities
- Decreasing overall population
- Increasing dependent population (particularly 65+ age cohort)
- High rates of outmigration
- Increasing racial diversity

Income

- Low per capita incomes in comparison with State and national per capita incomes
- Sectoral wage levels lower than analogous wage levels in other parts of the State
- High public assistance and income assistance burdens
- Overall poverty rate above State and national levels

Workforce

- High levels of primary and secondary educational attainment compared to State and national levels
- Low levels of post-secondary educational attainment compared to State and national levels
- Lack of basic and technical skills training and upgrading
- Unemployment rates frequently higher than State and national rates
- Under-employed population due to economy's shift away from high-skilled, high-wage manufacturing jobs

Environment

- The region has a relatively clean environment with an abundance of greenfield development sites
- Quality of life threatened by air, soil and water contamination (e.g. floodplain and wetland development)
- Remediation of brownfield/Superfund sites and decommissioning of West Valley Nuclear Services Center

Infrastructure

- Inadequate levels of entrepreneurship, technology transfer and adoption, and export activity
- High demand for efficient transportation infrastructure due to location and overall low population density
- Recent improvements to highway, rail, air, and public transportation infrastructure with enduring deficiencies to be remedied by appropriate planning and investment
- Inadequate service and quality of water, wastewater, communications, broadband, natural gas, and electricity infrastructure service in various locations across the region
- Unhealthy housing market and aging housing stock
- Inadequate healthcare service infrastructure and public safety concerns
- Underutilized recreational and cultural assets

From an economic perspective, the region is facing a number of challenges. It is shifting from an economy of high-skill, high-wage unionized jobs to relatively low-skill, low-wage service and commercial employment. Consequently, the economy is in a situation of long-term distress with high unemployment and low per capita income. The region's overall population is decreasing and aging, which doubly strains the labor force. Income assistance and healthcare costs are increasing burdens. Utility costs remain high in many communities. New York State provides a high cost business-operating environment with considerable tax and regulatory burdens as well as high workman's compensation rates. Global competition is leading to increased absentee ownership and adding economic uncertainty to the region.

Despite challenges, the region shows a number of economic strengths. The workforce is productive with a good work ethic. The educational and training sector is strong, ranging from primary to graduate schools and including a network of training institutions and Workforce Investment Boards. The region enjoys a high quality of life with cultural and recreational resources, a clean and low-crime environment, and small-town lifestyle. Natural resources such as forest products, oil, gas, gravel, soil, and water give rise to economic development opportunities. Technology, transportation infrastructure, and telecommunications infrastructure represent opportunities to keep the region competitive in the global economy.

The region's challenge is to develop strategies that foster economic resurgence. Such strategies require planning, investment, partnership, and persistence to be successfully implemented. The following in-depth analysis paints a realistic picture of the current economic condition of the region.

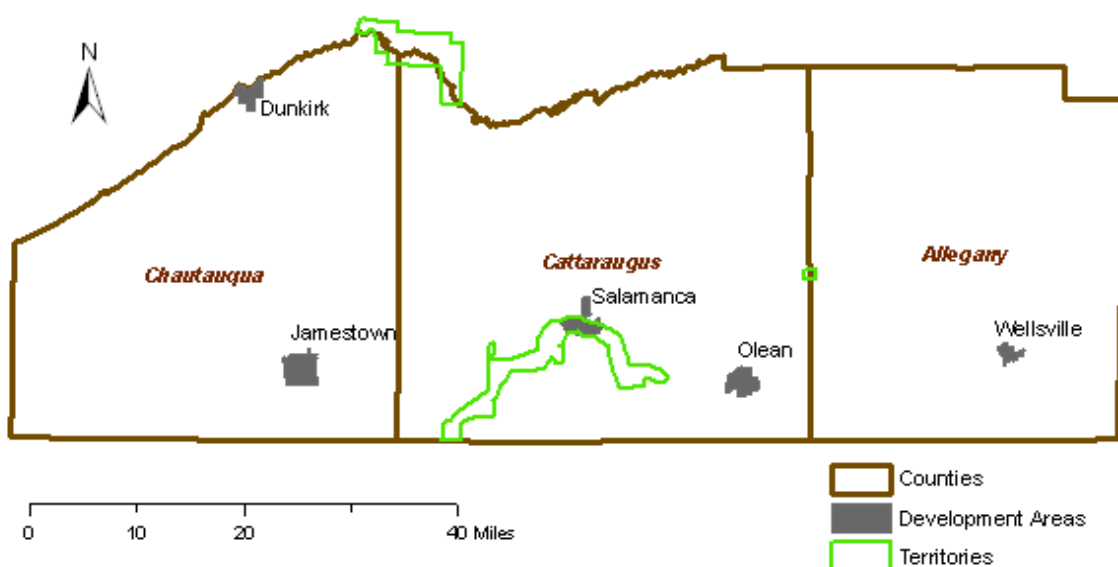
Geography

The Southern Tier West region occupies the southwestern corner of New York State and consists of Chautauqua, Cattaraugus, and Allegany counties. The region is bordered by Pennsylvania to the south and west, rural Steuben County to the east, and Lake Erie, metropolitan Erie County and rural Wyoming and Livingston Counties to the north.

Regional Development Areas

Eastern-most Allegany County is the least developed of the region's three counties and western-most Chautauqua County is the most developed. The region has four cities (located in Chautauqua and Cattaraugus Counties) and five designated development areas.

Development Areas and Seneca Nation of Indians Territories



The **City of Jamestown** in Chautauqua County is the region's largest urban and industrial center as well as the most populated municipality. It encompasses two community colleges and, along with its surrounding towns and villages, is designated the region's primary development area. The **City of Dunkirk** in Chautauqua County is a secondary development area together with the Village of Fredonia. It is industrially-based with commercial centers, a community college, and a State University campus.

The cities of Olean and Salamanca are secondary development areas in Cattaraugus County. The **City of Olean** is the retail commercial trade center for Cattaraugus County and home to its largest industrial employers as well as three post-secondary educational institutions. The **City of Salamanca** is the least populated city in the region. It lies largely on land owned by the Seneca Nation of Indians and is home to the Seneca-Allegany Casino.

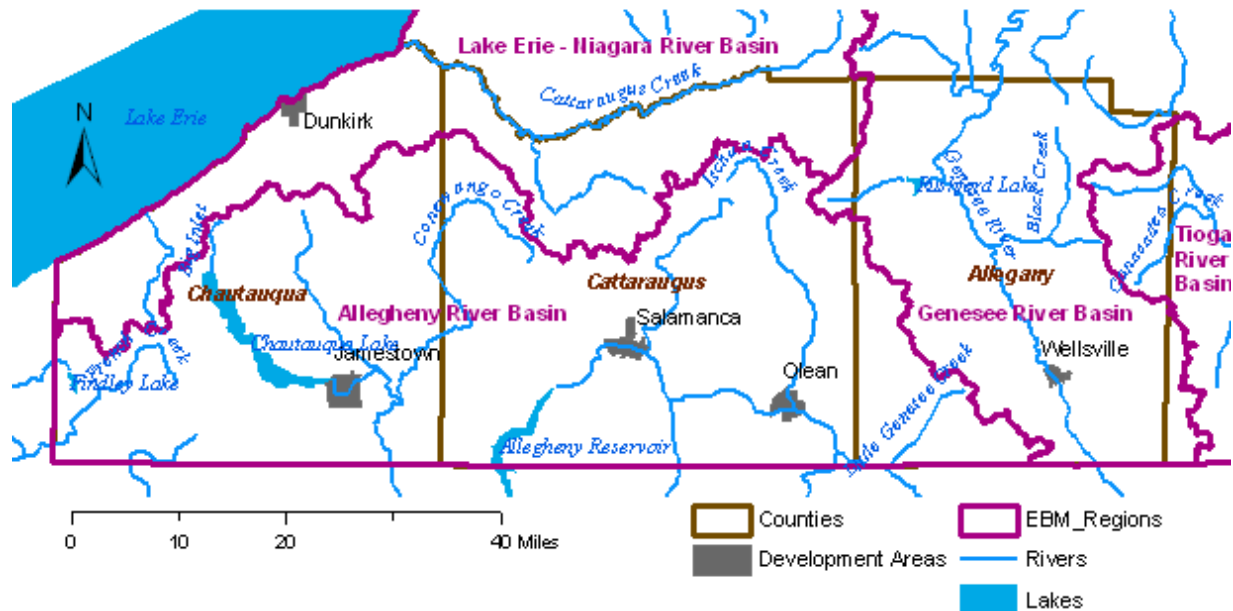
The **Town and Village of Wellsville** is the most urbanized and industrialized municipality in Allegany County and also considered a secondary development area for the region. Allegany County is largely composed of rural villages and townships however it houses four post-secondary education institutions.

The Seneca Nation of Indians directly controls three territories totaling more than 60 square miles of land in the Southern Tier West region. The **Allegany Territory** lies entirely within Cattaraugus County and encompasses most of the City of Salamanca. The **Cattaraugus Territory** lies along the borders of Cattaraugus, Erie and Chautauqua Counties. The **Oil Spring Territory** spans both Cattaraugus and Allegany Counties and was only reclaimed from leaseholders by the Seneca Nation in 2004. Development activity on all Seneca territory is only permitted through agreements between the Seneca Nation and the developer.

Geological Features

Three basic geological features define the region - the Lake Erie Plain, the escarpment slope, and the Appalachian Plateau. The Lake Erie Plain forms a 4-9 mile wide strip of land along the region's northwestern boundary with cliffs upwards to 80 feet plunging into Lake Erie. The plain has a mean elevation of 573 feet at the Lake Erie shore and lies parallel to the 1-2.5 mile wide escarpment slope, which begins at an elevation of approximately 800 feet and rapidly rises to an elevation of approximately 1000 feet. The Appalachian Plateau covers the remainder of the region with elevations ranging from 1000 feet to over 2500 feet above sea level.

Major Watersheds and Waterways



Along with Lake Erie, major bodies of water in the region include the Kinzua Reservoir and the Chautauqua, Cassadaga, Cuba, Findley, Lime and Rushford Lakes. Chautauqua Lake Valley, Cassadaga Valley and Conewango Valley are major valleys in Chautauqua County. In Cattaraugus County, the Cattaraugus Creek flows through the steep-banked Zoar Valley, and the Allegheny River forms a valley arc from Portville to the Kinzua Reservoir before entering Pennsylvania. In Allegany County, the Genesee River flows up from Pennsylvania and bisects the county.

Four major **watersheds** drain the Southern Tier West region: the Lake Erie-Niagara River Basin (feeding into Lake Erie), the Allegheny River Basin (feeding the Ohio/Mississippi system), the Genesee River Basin (feeding into Lake Ontario) and the Tioga River Basin (feeding the Chesapeake Bay System). The Lake Erie-Niagara Basin drains the northwestern part of the region. The Allegheny River Basin drains central and southern Chautauqua and Cattaraugus Counties as well as a portion of southwest Allegany County. The Tioga River Basin drains a portion of eastern Allegany County, and the Genesee River Basin drains central Allegany County and a small portion of northeastern Cattaraugus County.

Land Use

Land use patterns throughout the region have not changed significantly in the last few decades. The region continues to consist primarily of undeveloped rural land (forests and woodlands cover more than half of the region). Minor land use changes include decreasing acreage of active agricultural land and increasing acreage of mature forestland and recreational plots. There is also spreading development around the perimeters of established urban areas and highway routes, as well as around recreational centers such as Ellicottville and Chautauqua Lake.

As the second largest land use activity, agriculture is very important to the regional economy. Allegany County's 2008 Comprehensive Plan quotes a steady trend of around 800 farms, utilizing 176,000 acres of land, and generating \$50 million in receipts. Throughout the region are numerous agricultural districts preserved for agriculture use; however they fail to comprise the majority of exceptional farmland in the region.

A significant amount of land in the region is governmentally controlled. The NYS Office of Parks, Recreation and Historical Preservation manages 65,515 acres of state park (including the 64,800-acre Allegany State Park). The NYS Department of Environmental Conservation controls around 94,501 acres of state forest and 8,800 acres of wildlife management area. Furthermore, the State owns a 3,300-acre nuclear fuel reprocessing facility in Cattaraugus County, and the three counties themselves own various tracts of land totaling approximately 6,300 acres.

Climate

The Southern Tier West region experiences a temperate northeastern climate with a limited 5-6 month growing season and frequently harsh winters. Precipitation and winds generated by Lake Erie buffet the region (especially the western portion) and influence the economy in positive and negative ways. A short 5-6 month growing season restricts the region's agricultural sector. Yet, while some agricultural production is not well suited for the region's climate, products such as grapes, dairy, and maple syrup have flourished. A developing value-added regional-export secondary food processing industry cluster takes advantage of the primary agricultural production. The region's climate also influences the region's tourism sector. Despite being short-lived, attractive summers provide for numerous outdoor recreation activities, and the region has developed a strong winter-based recreational tourism industry (e.g. skiing, snowmobiling, hunting, etc.).

Natural Resources

Much of the region's manufacturing and agricultural sectors have developed from the region's natural resources (e.g. rich farmlands, forests, waterways, petroleum, gravel, etc). Unfortunately, depleting resources and changing markets have weakened many of these historical economic sectors. Certain industries however (e.g., the forest products, dairy, and grape industries) may enjoy sustained vitality because they are largely insensitive to resource depletion and market change.

Farmland

Currently, dairy and grapes are the major agricultural products in the Southern Tier West region. Climate and soil have proven advantageous for grape production, particularly along the Lake Erie shore. While the region's rolling topography can limit the size of agricultural operations, larger operations have taken advantage of gravel and loamy-type soils in the wider valleys while smaller operations have utilized the steeper slopes of more narrow valleys.

Throughout the region, specific soil types, topography, and climate conditions distinguish particular land as prime or unique farmland. County legislatures have designated these **agricultural districts** to protect the farmer and

Estimated Land Use Percentages in Southern Tier West Region

Forest and Woodland	> 50%
Agricultural Land	28%
Urban/Developed	7%
Fallow Land	5%
Water/Wetlands	3.5%
Outdoor Recreation	3%

preserve prime farmland for agricultural pursuits. Designation as an agricultural district keeps property assessments and taxes low; controls and relieves pressure from urban sprawl; keeps government from exercising eminent domain; restricts certain kinds of development; and keeps nuisance laws in check (e.g., crop spraying). Chautauqua County currently has 12 agricultural districts. Cattaraugus County has 9 districts, and Allegany County has 4 districts. While recognized, the lands do not account for the majority of excellent farmland in the region.

Environmental impediments such as acid rain from Midwest cities and a limited growing season are the primary challenges to the region's farming resources. Larger scale dairy/beef operations may also have difficulty finding ample contiguous cropland, and smaller farms are continually challenged to find innovative farming practices to remain competitive with larger farming units in the region, state and nation.

Forest

The region's soil and climate has proven an ideal environment for the development of certain species of hardwood timber (maple, ash, red oak and black cherry) that is unequaled in any other part of the world. This initially led to the development of a strong primary (growing and harvesting) forest products industry in the region. In the early and mid-1900s, a secondary forest products industry (dimensioning, furniture manufacture, cabinetmaking, etc.) became a powerful portion of the regional economy. The development of the rail system in the region was largely to serve this blossoming forest products industry.

In recent decades, the region has been unsuccessful in retaining and developing the value-added net-export secondary forest product cluster. The estimated annual net growth of timber in the region amounts to over 1.6 million tons per year, but harvesting only removes about one third of this amount. The forest products industry has strong economic development potential, specifically for secondary and export use.

Water

The Southern Tier West region is influenced by three major water systems of the eastern United States (the Mississippi, Great Lakes/St. Lawrence and Chesapeake Bay river systems) and possesses an abundant supply of surface and sub-surface water (approximately 120 square miles constituting 3.5% of the region's total land use). Two of the top ten primary aquifers in New York State are located in the region (Jamestown and Olean/Salamanca). These aquifers provide water needs to thirteen communities and service approximately 68,000 people. A number of other highly productive principal aquifers in the region's valley areas are not as widely used but have development potential.

The region's rivers are highly attractive for ecologically sound **hydropower** and other industrial and commercial uses. Throughout the region, there is potential for small hydroelectric generators. Although most of the potential is of a relatively low power variety, some sites are capable of generating respectable levels of power. The dam on Caneadea Creek, which impounds Rushford Lake in the Towns of Rushford and Caneadea, has the potential to generate 1,435 Kw. This Creek could supply secondary and tertiary hydroelectric power upon construction of additional generating facilities. The dam at Cuba Lake could be retrofitted to generate 229 Kw of electricity. Once capital cost obligations have been retired, the relatively low operation and maintenance costs of hydropower generation makes renewable hydropower a competitive advantage for the region in terms of economic development and industrial retention. While the environmental impacts of any water resource use must be carefully analyzed on a project-by-project basis, the region's water system is an economic development resource.

The region's waterways are also ideal for supporting commercial and recreational activities. This has been shown by the development of park space (i.e. Riverwalk) along Chadakoin River, commercial development along Chautauqua Lake, and the Kinzua Reservoir recreation area along Allegheny River.

Energy

Within all three counties are significant **natural gas and petroleum** resources. Five major natural gas storage areas currently exist in the region (located in the towns of Hanover/Sheridan, Villenova/Dayton, Dayton/Perrysburg, Willing/Andover/Independence and Allegany State Park). Naturally, regional extraction costs rise as the supply of these non-renewable resources deplete and the most economically extractable resources are exhausted. This has constrained extraction activity in the region, however secondary and tertiary recovery at previously operating oil wells holds promise for small operators and the Bass Island field continues to be productive. The region's major sources for natural gas and petroleum are found in the following areas:

Chautauqua County: Towns of Busti, Charlotte, Cherry Creek, Clymer, Ellery, French Creek, Gerry, Kiantone, North Harmony and Sherman.

Cattaraugus County: Towns of Allegany, Ashford, Carrollton, Dayton, Ellicottville, Farmersville, Freedom, Great Valley, Humphrey, Olean, Persia and Yorkshire.

Allegany County: Towns of Alfred, Alma, Amity, Andover, Bolivar, Caneadea, Clarksville, Friendship, Genesee, Granger, Independence, Scio, Ward, Wellsville and Wirt.

Commercialization of the region's *renewable* natural energy resources (i.e., geothermal and hydroelectric power) has economic development opportunity. Analysis of bottom hole temperature data from Cambrian sandstone indicates extractable fluids in the low-temperature geothermal target zone throughout portions of Western New York. Geothermal reservoirs in the temperature range of 70 - 80 degrees are believed to exist in the southern portion of New York State. The potential of **geothermal power** has not been fully utilized by the region due to technological obstacles, high initial capital costs, and resistance to new power sources; however it remains a natural resource for economic growth.

Recreation

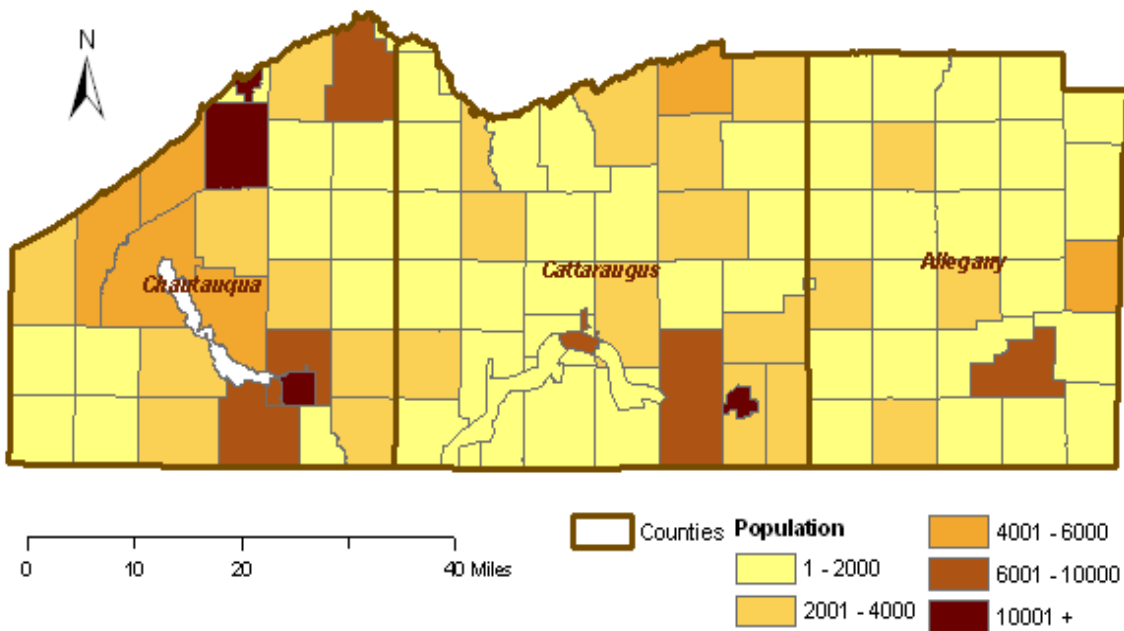
The region's many natural and man-made resources are also highly advantageous as tourist destinations. The economic potential of the region's natural landscape should be fully realized. Natural resources currently contributing to recreation and tourism include: Chautauqua Lake, Allegany State Park, Long Point State Park, the Lake Erie shoreline, Cuba Lake, Rushford Lake, Findley Lake, Cassadaga Lake, the region's ski resorts, golf courses and hiking trails. With additional marketing and, in some cases additional investment, these and other underdeveloped destinations can prove to be larger and more profitable tourist attractions. Development supported by the region's natural resource base must be consistent with appropriate resource use and conservation principles. Public oversight is appropriate to ensure that developers consider and avoid the potential adverse environmental impacts of proposed development.

Population

Population trends provide important baseline data for analyzing the regional economy. This section examines size, migration, age distribution, racial composition, and education attainment of the region's population.

Population Size

Population Density and Distribution



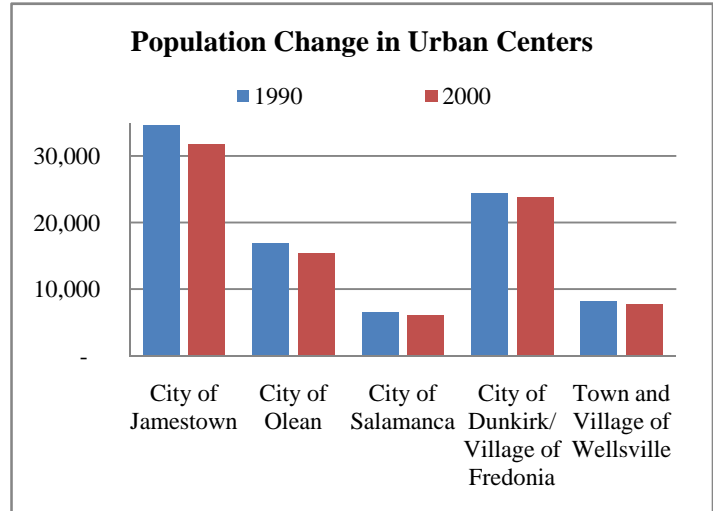
1980-2000, Population Trends

	1980	1990	2000	Total Change	Ave. Yearly Change	Percent Growth
Allegany County	51,742	50,470	49,927	-1,815	-91	-3.51%
Cattaraugus County	85,697	84,234	83,955	-1,742	-87	-2.03%
Chautauque County	146,925	141,895	139,750	-7,175	-359	-4.88%
Southern Tier West	284,364	276,599	273,583	-10,732	-537	- 3.77%
New York State	17,558,072	17,990,455	18,976,457	1,418,385	70,919	8.07%

Source: U.S. Census Bureau: 1980, 1990, 2000 Census

As of 2008, the Southern Tier West region had an estimated population of 263,126 individuals (a decrease of 560 from 2007 estimates). Historical population data and the previous chart shows a long-term trend of population decline that threatens the stability and vitality of the region. A decreasing population negatively impacts the economy, labor force, tax base, and representation.

From 1990 to 2000, New York State experienced a 5.5% population increase while the population of the Southern Tier West Region decreased 1.1% from its 1990 level. As the adjacent graph illustrates, the majority of population loss is occurring in the region's urban centers while rural areas have generally shown increasing populations. This urban sprawl has population densities decreasing in cities and villages and population densities increasing in more rural townships.



Source: U.S. Census Bureau, Census 2000, 1990 Census, 1980 Census

Migration Trends

A critical factor of the region's population decline is the increasing migration out of the region. Net migration refers to population change not explained by natural growth (births minus deaths). In the last few decades, the Southern Tier West region has experienced nearly 29% higher outmigration rates than New York State as a whole.

The loss of manufacturing jobs in the region has forced many skilled laborers to leave the region, and a lack of high-wage, high-skilled jobs have caused white collar/professional workers and college graduates to seek employment elsewhere. Data confirms that a high percentage of the outmigration from the Southern Tier West region has been made up of the young working-age (15-29) population. This group is comprised of the most likely candidates in the region for future leadership, managerial, and administrative roles. The stagnate Western New York economy allows us to assume such high rates of outmigration will continue, which is a large threat to the region's economic performance and development.

1980-2000 Migration Trends

	Total Population Change	Natural Increase (Births – Deaths)	Net Migration	Net Migration Rate *
Allegany County	-1,815	3,563	-5,378	-10.39%
Cattaraugus County	-1,742	6,729	-8,471	-9.88%
Chautauqua County	-7,175	6,747	-13,922	-9.48%
Southern Tier West	-10,732	17,039	-27,771	-9.77%
New York State	1,418,385	2,043,387	-625,002	-3.56%

Source: 1980, 1990, and 2000 Population Data, Intercensal Estimates, U.S. Department of Commerce, Census Bureau

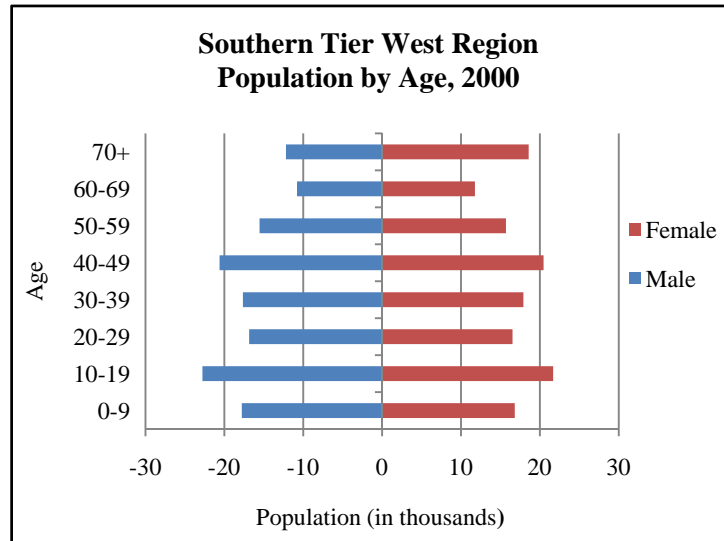
* rates are per 1000 average population

Age Distribution

The region's labor force productivity is a function of its population age. Population projections prepared by the New York Statistical Information System (CISER) at Cornell University and outlined in Appendix II show a relatively stable regional population size through the 2000 to 2030 planning horizon. However, the region can expect to support an increasing percentage of designated dependents. As late baby boomers age and overall longevity increases, there is notable aging of the population.

The dependent population is commonly defined as all people 0 to 17 years of age and all people 65 years of age and older. While this definition does not account for the many independent persons aged 65 and older and dependent handicapped and disabled individuals, it is the approximation used to define the dependent population.

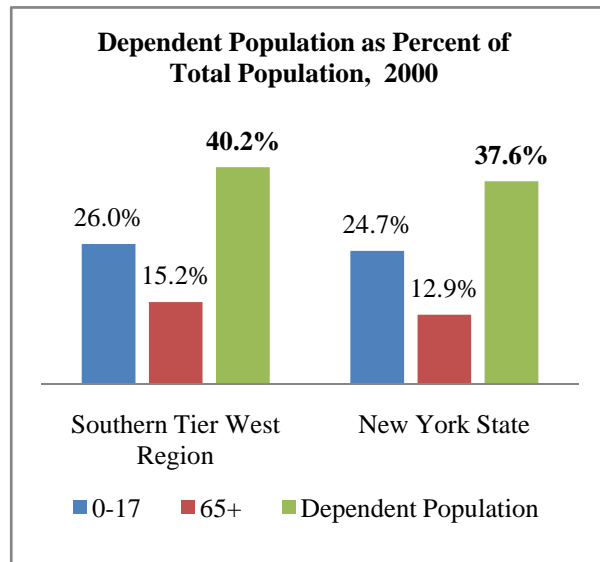
Between 1990 and 2000, the median age of the region (37.2 years) surpassed the New York State average (36.9 years). The region suffers from a growing dependent population heavily concentrated in the 65 and older age cohort. This changing age distribution is not encouraging for the region's economy in terms of its labor force and economic development potential.



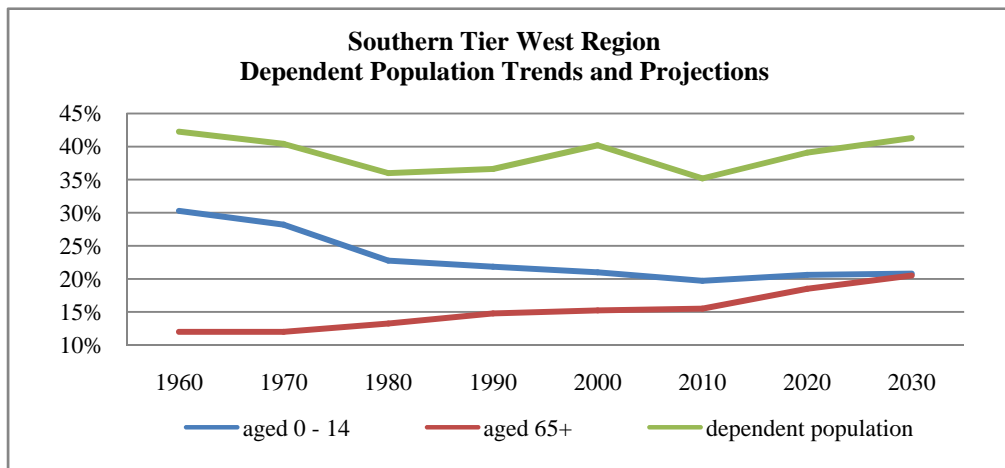
**Aging Population:
Median Ages of Region, States and Nation, 1980-2000**

	Southern Tier West	New York	United States
Median Age, 2000	37.2	36.9	35.3
Median Age, 1990	33.4	33.8	32.8
Median Age, 1980	30.3	33.4	30.0

Source: U.S. Census Bureau, 1980, 1990, 2000 Census



The graph on the following page combines age cohort population projections prepared by New York Statistical Information System (CISER) and U.S. Census data from 1960 to 2000. It illustrates the region's population dependency trends and general aging. On one hand, overall dependency rates have declined in the region since 1960. However, the lack of "replenishment" of the productive segment of the region's population (i.e., the results of the downward trend in the line representing the 0 to 14 years population), and the overall graying (aging) of the region's population (i.e., the results of the upward trend in the line representing the 65 or older population), could make for a smaller labor force in the future. Furthermore, the combination of a graying population and increasing incidences of single parent families will likely indicate a need for more child and elder day care services in the region.



Source: New York Statistical Information System, US Census Bureau

Racial Composition

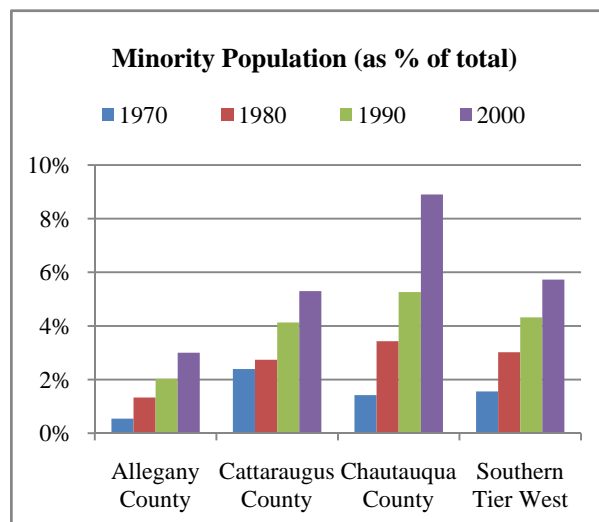
In addition to the changing age of the region’s population, the racial composition of the population is also shifting. The following data summarizes the racial data from the 2000 Census as a percentage of the entire regional population. The percentages for White, Black or African American, American Indian, Asian and Other race persons are for population groups declaring themselves to be of a single race.

Racial Composition as Percentage of Total Population, 2000

	Allegany County	Cattaraugus County	Chautauqua County	Southern Tier West Region	New York State
White	97.0	94.6	94.0	95.2	67.9
Black or African American	0.7	1.1	2.2	1.3	15.9
Hispanic or Latino (any race)	0.9	0.9	4.2	2.0	15.1
American Indian	0.3	2.6	0.4	1.1	0.4
Asian	0.7	0.5	0.4	0.5	5.5
2 or more races	0.9	1.0	1.2	1.0	3.1
Some other race	0.4	0.2	1.7	0.8	7.1

The 2000 Census data displays a seemingly much higher percentage of persons that consider themselves to be of more than one race than would be consistent with the above data. Also, many Hispanics report themselves to be of more than one race and are not fully identified in the above data table.

Despite confusing data on the region’s racial composition from the 2000 Census, two trends are apparent. First, the minority population continues to be a relatively small portion of the region’s total population as compared to New York State as a whole (fully 95.2% of the region’s population classified themselves as “white people of one race” in 2000). Second, it appears that the minority population of the region and of each county in the region, expressed as a percentage of the total population, has been growing since 1970 (see graph). Diversification of the population is an encouraging trend as it enriches the region’s socioeconomic environment.

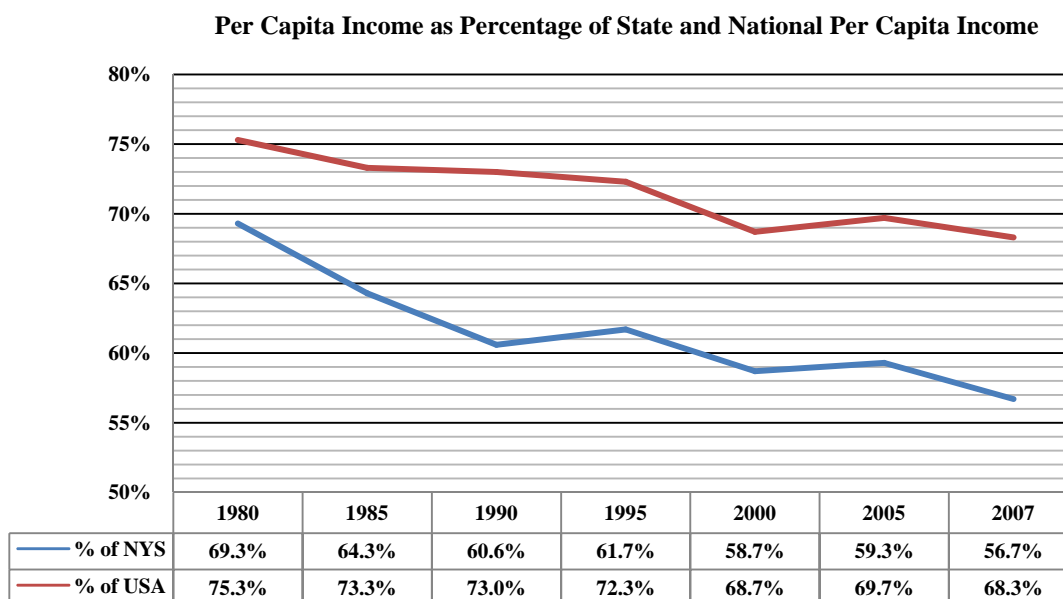


Source: U.S. Census Bureau, 2000 Census

Income

Per Capita Personal Income

Per capita personal income (PCPI) for the Southern Tier West region has consistently fallen below State and national PCPI levels. In 2005, the region enjoyed a brief increase in PCPI relative to State and national estimates; however the long-term trend has been a decreasing percentage with significant decline in the last few years.



Source: U.S. Bureau of Economic Analysis, Regional Facts

The region's waning percentage of state and national per capita income is a function of its stagnate economy. In the last ten years, the region has experienced only a 3.8% annual growth rate of PCPI while New York State and the nation experienced an annual growth of 4.5% and 4.3% respectively. This data is consistent with the perception that the region has not always shared in periods of State and national economic recovery, failing to increase PCPI levels at State and national rates.

	Average Annual Per Capita Income Growth Rate 1997-2007
Southern Tier West Region	3.8%
New York State	4.5%
USA	4.3%

Source: U.S. Bureau of Economic Analysis, Regional Facts

The Southern Tier West region's per capita personal income (PCPI) also shows significant disparity between the three counties, which can be seen in the subsequent County Economic Profiles. Cattaraugus County has made noticeable strides between 2000 and 2007. This is perhaps due to a relatively stable number of manufacturing jobs in the county during this time period versus a decreasing number of manufacturing jobs in both Allegany and Chautauqua County. Development efforts focusing on value-added net-export sectors, such as manufacturing, is clearly beneficial, however, as the domestic macro-economy shifts away from manufacturing toward a more knowledge-based service economy, focus must not be diverted from those high-wage segments of the knowledge-based service sector.

Low per capita personal income levels for the region demonstrate a need for high-wage industry development so as to retain quality employees and provide acceptable quality of life for residents. Further investment into labor force education and training will equip prospective and existing businesses with better skilled employees - improving the efficiency of operating and marketing activities while elevating the region's per capita income. Global competitiveness requires a sustainable regional economy with efficient, productive workplaces utilizing skilled employees and paying higher wages.

Wages

The health of the region's economy can be evaluated in terms of the average wage in various industry sectors. In 2007, each of the three counties had average wages lower than statewide averages in each sector (see County Economic Profiles). According to the U.S. Bureau of Labor Statistics, the average wage for all industries in the Southern Tier West region was \$31,242 and the average wage for New York State was \$59,499. This means that the region had an average annual wage that is only 52.5% of the state average in 2007. Relative wages in industry sectors in the Southern Tier West region are continuing to become even smaller percentages of wage rates in the same sectors in other parts of the State. In the region's most economically important sectors, wage averages remain below analogous state averages. The region's manufacturing employees only receive 79.1% of the average state manufacturing employee and the region's growing health services sector employees only receive 64.6% of the average state health worker. The worst wage comparisons exist in the high-wage finance and insurance, company management, information, and professional services sectors. The best wages earned in comparison to state averages are in the agriculture and forestry, educational services, and transportation and warehousing sectors.

Average Wage by Industry Sector, 2007

Description (by NAICS)	Southern Tier West Region	New York State	Regional Wage as Percentage of State Wage
Total, All Industries	\$31,242	\$59,499	52.5%
Total, All Private	\$29,943	\$61,455	48.7%
Agri., Forestry, Hunting	\$23,684	\$27,239	86.9%
Mining	\$43,928	\$54,580	80.5%
Utilities	\$72,957	\$92,640	78.8%
Construction	\$36,831	\$55,889	65.9%
Manufacturing	\$44,321	\$56,007	79.1%
Wholesale Trade	\$40,197	\$69,231	58.1%
Retail Trade	\$20,086	\$29,199	68.8%
Transportation, Warehousing	\$34,239	\$42,335	80.9%
Information	\$30,794	\$86,365	35.7%
Finance and Insurance	\$36,166	\$208,490	17.3%
Real Estate, Rental, Leasing	\$23,235	\$55,614	41.8%
Professional, Technical Services	\$33,711	\$84,813	39.7%
Mgmt. of Companies & Enterprises	\$35,940	\$141,100	25.5%
Administrative, Waste Services	\$27,875	\$39,470	70.6%
Educational Services	\$35,107	\$43,619	80.5%
Health Care, Social Assistance	\$26,739	\$41,409	64.6%
Arts, Entertainment, Recreation	\$15,978	\$44,514	35.9%
Accommodations, Food Services	\$11,661	\$21,094	55.3%
Other Services (exc. public admin)	\$16,454	\$31,839	51.7%
Public Administration	\$34,909	\$49,774	70.1%

Source: NYS Dept. of Labor

Income Assistance

Data for public and income assistance in the Southern Tier West region emphasize the fact that regional economic and social problems are often not shared by the rest of the State. The number of persons receiving public income assistance has been decreasing in the Southern Tier West region as well as the 5-county Western New York region and the State as a whole; however the decrease has occurred much faster in other parts of New York State. Additionally, while total public income assistance expenditures are growing across the State, the rate of growth in the Southern Tier West region is almost eight times the State rate, indicating an inability for the economy to provide jobs for the region's population. Other regions in the State are growing faster than the Southern Tier West region.

Public Assistance as Percentage of Total Households, 1990-2000

	% of Households with Public Assistance, 1990	% of Households with Public Assistance, 2000
Allegany County	9.8%	4.4%
Cattaraugus County	7.9%	3.4%
Chautauqua County	9.0%	3.9%
Southern Tier West Region	8.9%	3.9%
New York State	9.1%	4.9%

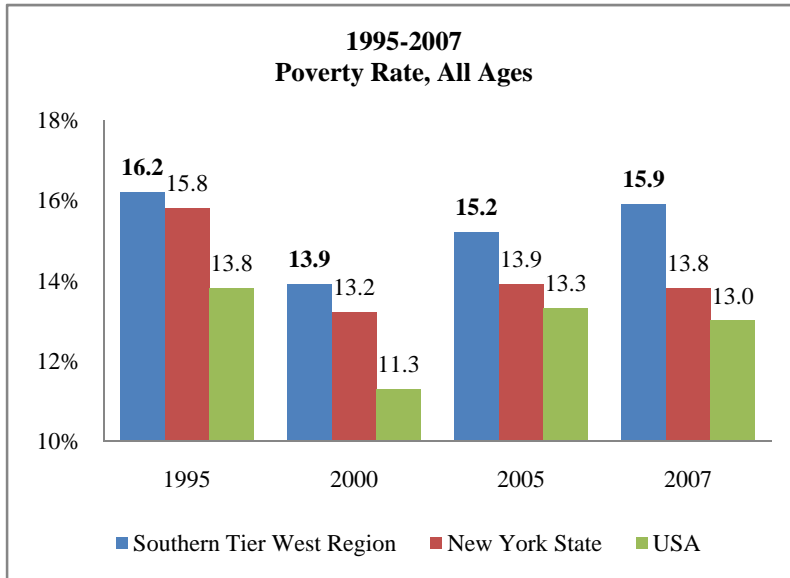
Source: U.S. Census Bureau, 1990 and 2000 Census

The failure of the region's economy to recover to the point of reducing public and income assistance at the same rate as other regions will continue to place stress on the region's social service delivery system, create problems with the adequacy of the region's housing supply, burden an overtaxed unemployment system, and make the region economically uncompetitive with the rest of the State. The cost burden ultimately is borne by the region's taxpayers, making the region a less attractive place to live and operate businesses. In the long-term, this encourages the outmigration of productive individuals and firms while the availability of income assistance can lead to in-migration of less productive individuals and firms. There is a strong motive to reduce public assistance costs by providing maximum opportunities for gainful employment and economic self-sufficiency for all capable individuals.

Poverty Rate

Poverty rates for all ages in the Southern Tier West region are above both State and national levels. The strain that this places on the regional economy is obvious. Such rates illustrate the current condition of the region and discourage individuals and businesses from migrating into the region. Allegany County has the highest poverty rate in the region (16.7% in 2007) due in large part to its more rural character. The per capita personal income for Allegany County was only \$23,292 in 2007 - the lowest PCPI of all New York State counties.

The cycle of rural poverty in the region is perpetuated by a lack of mobility and a stagnate economy. An expansion of communication and transportation infrastructure to rural areas must accompany any business development in the region in order for the economy to grow and the poverty rate to fall.



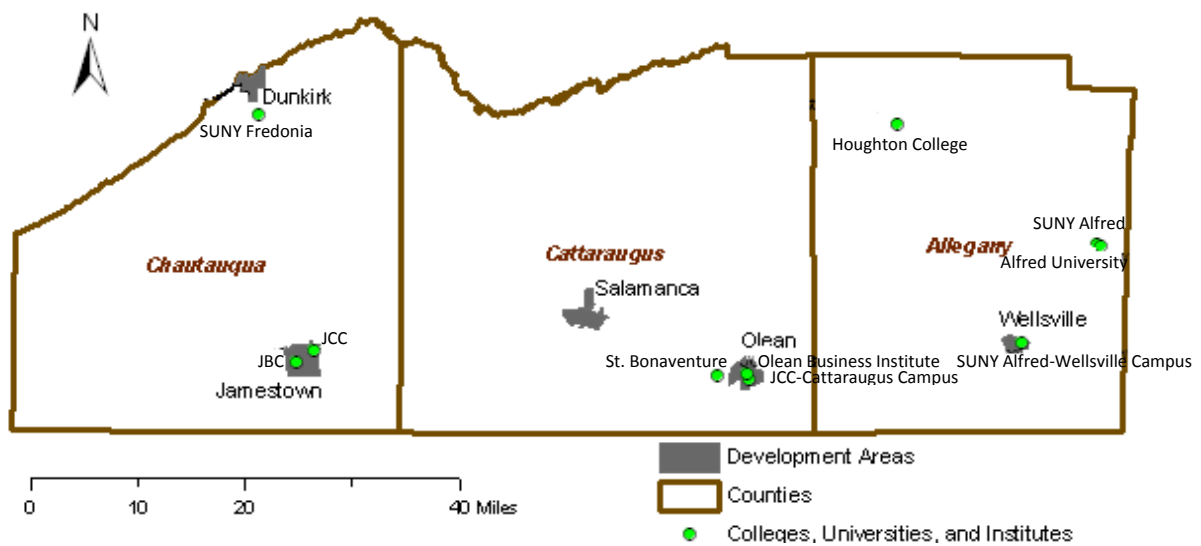
Source: U.S. Census Bureau, Small Area Income & Poverty Estimates

Workforce

Education

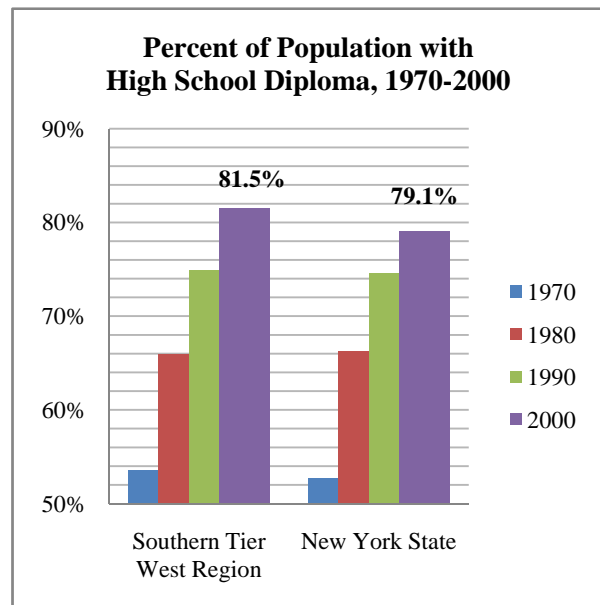
Productivity of a region's labor force is a function of educational attainment within the broader population. The Southern Tier West region is served by a full range of educational and skills training institutions at various levels. There are 49 school districts, 1 community college, 2 four-year business institutes, and 5 colleges and universities in the three-county region (see Appendix I for description of post-secondary institutions).

Post-Secondary Educational Institutions



An educated and skilled workforce is essential for the regional economy to stay competitive. Since 1970, census data has shown an increase in educational attainment throughout the Southern Tier West region and all of New York State. However, despite these strides a growing business community will demand a more highly educated and skilled labor force to adjust to the region's changing economy.

The region proudly surpasses New York State in the percentage of its population attaining a high school diploma. This progress has occurred largely over the last two decades and is a positive trend for the region (see graph). However, the percentage of the region's population attaining a bachelor's degree or higher was significantly lower than that of New York State as a whole in 2000 (see chart below). This may indicate that the region has not continued to maintain the same focus on educational attainment as have other parts of the State. If this is true, it is a challenge to our educational and training community, as well as to the region's families.



The region's educational infrastructure strives to address the continuous need for an educated and reliable workforce. Educational and training institutions must prepare the region's residents with the skills and knowledge needed by businesses today and especially in the future global marketplace. Continued focus on education and training will be essential to a globally competitive knowledge-based regional economy. Emphasis on current and future employability within the education system will have positive implications for economic development and quality of life in the region.

With an economic restructuring away from high-skill high-wage industrial jobs, a significant amount of under-employment may be presumed to exist in the region's workforce (i.e., people in jobs that do not take maximum advantage of their skills and experience). There are many indications of the region's unemployed population having skills relating primarily to trade and traditional blue-collar occupations. With the climbing unemployment rate, this unskilled or semi-skilled population is also likely to be under-employed in the region.

The region's unemployed and under-employed population requires a more collaborative effort from businesses and training institutions, as well as an enhanced understanding of training options and benefits. Industries requiring technical skills and job experience include "back office" enterprises (e.g., financial and insurance) and technological (e.g., engineering, computing/software, internet, and ceramics/materials technologies) industries. By adjusting to the skilled labor needs of such industries, the region will avoid under-employment and encourage such industries to do business in the region.

A training network exists in each county for the development and implementation of vocational training projects. These networks work with the private sector (labor and management) to provide and broker training services. The individual training entities identify company needs and prepare specific training proposals as well as provide the training to employees and placement to unemployed individuals. They also implement secondary school vocational training programs and network training with other entities. The regional training network works actively with the Workforce Investment Boards operating in the three counties. Achieving a competitive rate of training and educational attainment is essential for the region's workforce to be productive and economically appealing.

Employment

The economic activity and well-being of the region is reflected to a large degree by the number and types of jobs available. The level of employment, rate of job loss, and number of people unable to find work clearly illustrates the region's depressed economic situation.

The region's labor force has generally increased in the last decade although there have been instances of annual decline. In 2008, the NYS Department of Labor indicated that the region's labor force was 132,900 and the US Bureau of the Census estimated a total population of 273,632, for a labor force participation rate of 48.6%. Compared to New York State and the nation as a whole, the region's labor force appears stagnate. From 2000-2008, the regional labor force grew by only 1.1% while the State expanded its labor supply by 5.6% and the nation did so by 9.4%. Over the same time period, the number of employed persons *decreased* by 1.1% in the region while the number of unemployed persons *increased* by 40.7%. The following chart outlines the county, region, state and national labor force figures. Since 2000, Allegany County has assumed a notably larger percentage of the regional labor force (4% increase) while Chautauqua County is experiencing a declining labor force. Additionally, the unemployment rate for the region underwent a 35.6% change from 2000-2008, while the state only experienced a 17.8% change in unemployment rate. Overall, the region's labor force is quite depressed compared to state and national labor force trends.

	Bachelor's Degree or Higher, 2000
Allegany County	17.2 %
Cattaraugus County	14.9 %
Chautauqua County	16.9 %
Southern Tier West Region	16.3 %
New York State	27.4 %
United States	24.4%

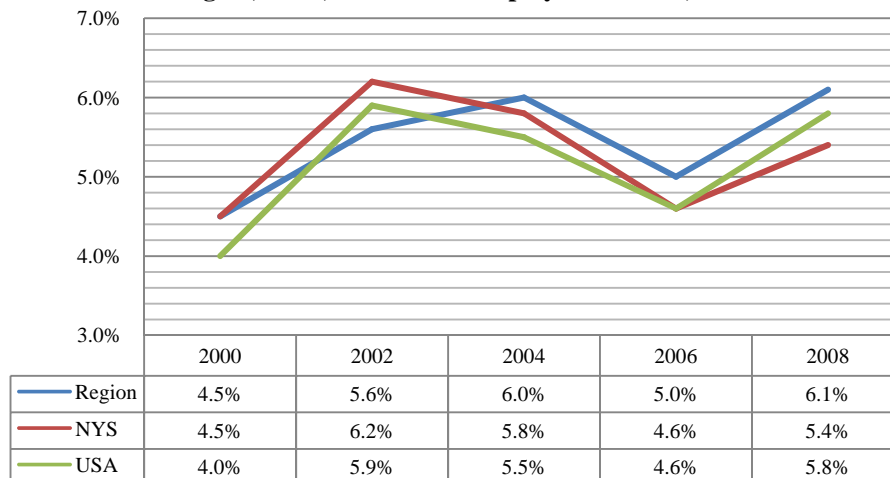
Source: US Census Bureau, 2000 Census

Labor Force Average Annual Figures for the Population Aged 16 Years and Older

	1990	2000	2002	2004	2006	2007	2008	% Change 2000-2008
Allegany County								
Labor Force	22,400	22,800	23,400	23,600	23,600	23,500	23,900	4.8%
Employed	20,900	21,700	22,200	22,100	22,300	22,200	22,400	3.2%
Unemployed	1,500	1,100	1,300	1,500	1,300	1,300	1,600	45.5%
Unemp. Rate (%)	6.5	4.9	5.4	6.4	5.3	5.5	6.5	32.6%
% of Regional Labor	17.1	17.3	17.7	17.8	17.8	17.8	18.0	4.0%
Cattaraugus County								
Labor Force	39,000	41,100	41,700	42,400	42,000	41,400	41,700	1.5%
Employed	36,500	39,300	39,400	39,800	39,800	39,300	39,100	-1.0%
Unemployed	2,500	1,900	2,400	2,500	2,200	2,100	2,600	36.8%
Unemp. Rate (%)	6.3	4.5	5.7	6.0	5.2	5.2	6.2	37.8%
% of Regional Labor	30.1	31.3	31.5	32.0	31.6	31.4	31.4	0.0%
Chautauqua County								
Labor Force	68,100	68,100	67,400	67,100	67,200	67,100	67,300	-1.1%
Employed	64,200	65,400	63,600	63,400	64,100	64,000	63,500	-2.9%
Unemployed	3,900	2,700	3,800	3,700	3,100	3,000	3,800	40.7%
Unemp. Rate (%)	5.7	4.0	5.6	5.5	4.6	4.5	5.6	40.0%
% of Regional Labor	52.6	51.8	50.9	50.6	50.6	50.8	50.6	-2.3%
Southern Tier West								
Labor Force	129,500	131,500	132,500	132,500	132,800	132,000	132,900	1.1%
Employed	121,600	126,400	125,600	125,300	126,200	125,500	125,000	-1.1%
Unemployed	7,900	5,700	7,500	7,700	6,600	6,400	8,000	40.4%
Unemp. Rate (%)	6.2	4.5	5.6	6.0	5.0	5.1	6.1	35.6%
New York State								
Labor Force	8808,900	9167,000	9299,000	9360,100	9530,100	9574,800	9679,600	5.6%
Employed	9152,900	9140,900	9091,700	8816,000	8721,400	8751,400	8339,800	-8.8%
Unemployed	526,700	433,900	438,400	544,100	577,600	415,500	469,100	8.1%
Unemp. Rate (%)	5.4	4.5	4.6	5.8	6.2	4.5	5.3	17.8%
United States								
Civilian Labor Force	125,840,000	142,583,000	144,863,000	147,401,000	151,428,000	153,124,000	155,921,000	9.4%
Employed	118,793,000	136,891,000	136,485,000	139,252,000	144,427,000	146,047,000	140,826,000	2.9%
Unemployed	7,047,000	5,692,000	8,378,000	8,149,000	7,001,000	7,078,000	15,095,000	165.2%
Unemp. Rate (%)	5.6	4.0	5.8	5.5	4.6	4.6	5.8	45.0%

Source: NYS Dept. of Labor

Region, State, and U.S. Unemployment Rates, 2000-2008



The Southern Tier West region is seldom impacted to the same extent as the state and nation during economic recoveries. In almost every year since 1980, unemployment rates have been above both State and national rates. With the recent economic turmoil, unemployment has spiked along with rates across the country. Through 2009-2010, the region is anticipating still higher rates of unemployment.

Between 1980 and 2000, the region's economy had experienced a dramatic restructuring. The new industry sector classification system (NAICS) reflects the transformation of our economy from a manufacturing-based economy to a services-based economy. Since 1980, there have been dramatic decreases in employment in the agricultural and manufacturing sectors of the region's economy. The region's agricultural sector reached an employment peak in 1997, and has lost more than 50% of its employment since that year. In manufacturing, the region has lost 33.3% of 1990 employment level. The region has also experienced significant lose in its goods-providing and trade, transportation, and utilities sectors. Employment in the services and government sectors increased dramatically between 1990 and 2008. Seasonal employment (e.g., winter recreation and tourism-based industries) is included in the services sector and has become an important contributor to regional employment during the winter and summer.

Regional Employment by Industry, 1990-2008

	1990	1995	2000	2005	2008	% Change 1990-2008
Total Non-Farm	105,600	104,700	110,300	108,100	108,800	3.0%
Total Private	83,900	82,900	85,600	82,200	82,900	-1.2%
Service-Providing	74,700	78,500	84,500	86,800	86,900	16.3%
Private Service-Providing	53,500	56,800	59,800	60,800	60,600	13.3%
Government	21,200	21,600	24,800	26,100	26,300	24.1%
Goods-Providing	30,400	26,000	25,800	21,500	22,000	-27.6%
Education and Health Services	13,600	15,600	16,600	17,900	18,300	34.6%
Manufacturing	26,700	23,000	22,700	18,400	17,800	-33.3%
Transportation, Trade, and Utilities	18,400	18,200	18,100	17,800	16,900	-8.2%
Leisure and Hospitality	9,000	9,300	9,900	10,000	9,900	1.1%

Source: New York State Department of Labor. Minor County Employment by Industry

The above data reinforces the ongoing economic changes that can be seen in the region. Agriculture and manufacturing are no longer progressive employment sectors in the region while services and government sectors are gaining momentum. In sum, these changes are consistent with a long-term shift from a manufacturing-based regional economy with a strong agricultural component to a services-and-trade-based economy. This restructuring represents a net socioeconomic loss to the region.

The data overstates the impact of service sector employment gains and understates the impact of manufacturing sector employment loss. Certain service jobs (especially non-value-added and non-regional-export service jobs) have lower wages and benefits (in some cases translating to part-time jobs) than lost manufacturing jobs. Additionally, some of the region's larger manufacturing firms have begun to use temporary or part time workers (similar to retail and commercial trade employers), who may be paid lower wages and benefits. Standard of living is inevitable effect by this loss of income and is indicative of the region's weak economy. The typically higher-skill, higher-wage, higher-benefit jobs associated with the education and health services and government sectors offset some of the manufacturing sector loss. However, these sectors re-circulate existing wealth within the region and will not stimulate new wealth for the region through exports. The region must therefore develop net export activity in its value-added private sector, whether it is manufacturing or service activity. To accomplish this, and be successful in a global economy while paying wage rates competitive with other areas of the state and nation, the region must develop areas where it holds or can hold a competitive advantage. The region must capitalize on its natural resources, mix of private enterprise, skills of its labor force, and locational advantage.

Environment

Although environmental consideration and development are often assumed to be at odds with one another, devastated or depleted environments diminish quality of life and therefore economic potential in the long-run. Southern Tier West encourages a broad-minded and precautionary view of the interrelationship between the environment and the economy.

By and large, the Southern Tier West region enjoys a clean environment. While certain environmental problems need to be addressed, the predominantly rural, under-developed region faces fewer and less severe environmental difficulties than many urban areas. This section evaluates the region's primary environmental issues as well as general issues of air, land, and water quality. Primary concerns for the region include remediation of hazardous and toxic waste contamination at brownfield/Superfund sites as well as significant radioactive contamination contained at the West Valley Nuclear Services Center. Other environmental issues include environmental regulations, acid rain from Great Lakes industrial cities, flood plains and wetlands, ground water quality, air quality, congestion control, and smart growth considerations.

Regulation

While national environmental policies have raised the minimum of environmental standards, state regulation remains disparate and relatively strict environmental regulations bind New York State's economy. The cost associated with environmental regulation in New York State include escalating penalties for corporate and individual non-compliance, operation and maintenance fees for mandated pollution control equipment, environmental record keeping and reporting, as well as basic capital investment.

If not properly planned and implemented, activities such as site construction, operation and maintenance, manufacturing processes, shipping/receiving/storing of materials, waste disposal, and unsound land care can have detrimental environmental impacts. Furthermore, failure to recognize, accept responsibility and/or mitigate one's potential environmental impact (regulated or unregulated at the time of the act) will no longer legally absolve the offender of liability. Companies may be liable for the past effects of currently compliant operations. Failure to recognize potentially hazardous but as yet unregulated activities can easily lead to costly remediation later on. Regulation compliance is less costly than non-compliance penalties and prevention is less costly than remediation. Therefore, businesses should evaluate all current and proposed development activities (commercial and public) so as to prevent environmental degradation and a need for expensive compliance and/or remediation in the future. It is prudent for businesses to manage activities under current regulations and anticipate likely future requirements.

Air Quality

The air quality in the Southern Tier West region is considered good. Air measurements taken at 3 sites in Chautauqua County have shown minimal air pollution/contamination. The region has very few industrial facilities that are listed by the U.S. Environmental Protection Agency as being major sources of air discharges. In the EPA's national database for major sources of air discharges, there are 6 facilities located in Chautauqua County, 4 facilities located in Cattaraugus County, and no facilities located in Allegany County.

The region's air quality is affected primarily by pollution from mid-west cities. Pollution from these industrial cities has caused acid rain that contaminates regional water sources; however this is not the primary pollution concern for regional waters.

Ozone alerts, commonly occurring in large cities, warn people susceptible to respiratory illness during hot weather that they may experience breathing difficulties. The entire Southern Tier West region has been designated an attainment zone for ozone – meaning that such people are not likely to find themselves experiencing any breathing difficulties.

Water and Soil Contamination

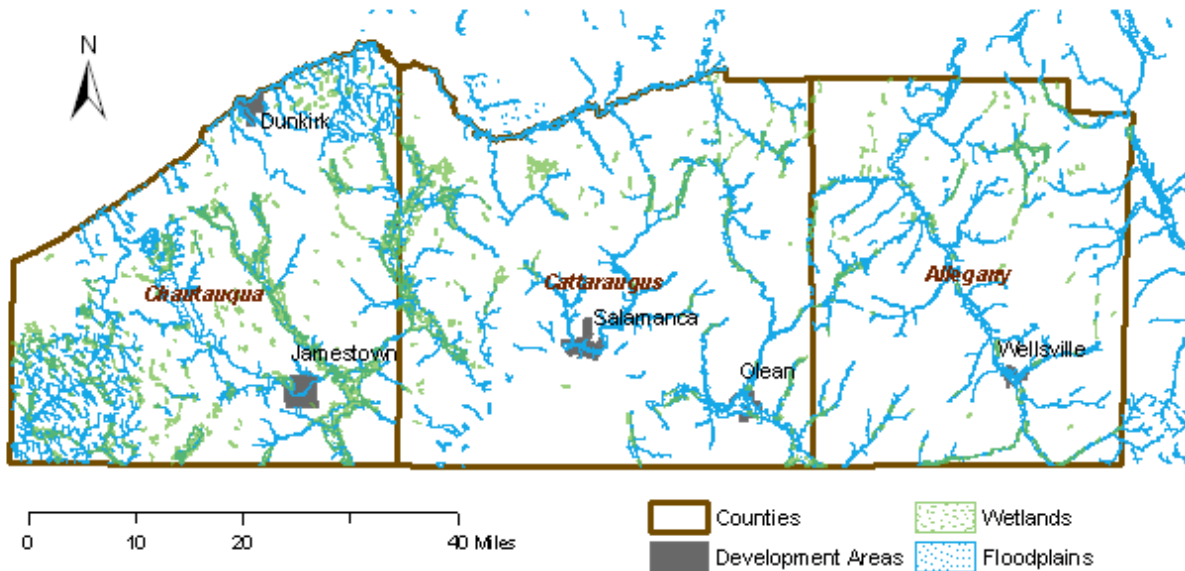
In 1990, approximately 72% of the region's 276,599 residents depended on groundwater to serve their water needs. With aquifers underlying much of the Southern Tier West region, recharge areas are avenues for groundwater and aquifer contamination. These areas are often near wellheads and along river valleys, including flood zones and connected tributary deltas. This overwhelming dependence on groundwater makes the protection of aquifers,

wellhead areas and aquifer recharge areas a high priority. In general, the region's groundwater is of good quality, however instances of individual well contamination and non-point threats to groundwater warrant corrective action.

Floodplains & Wetlands

While the permeable soils of floodplains are well-suited for agricultural purposes, these areas can contribute harmful runoff to surface water bodies as well as recharge to aquifers near river valleys. Development activity in floodplains must be designed to minimize contamination risks to these water resources.

Southern Tier West Floodplains and Wetlands



The New York State Department of Environmental Conservation's Status of the National Flood Insurance Program (1981), provided the following flood hazard summary for the region:

Flood Hazard Areas in the Region:	128
Population in the Flood Plains:	33,877
Structures in the Flood Plains:	9,974

However, periodic flooding is common outside of flood hazard areas; therefore flood hazard potential should be determined by referencing appropriate flood maps during the development planning process.

In conjunction with floodplains, wetlands are critical to the region because they provide flood control and help filter pollutants from contaminated runoff. Often considered to obstruct development, wetlands are beneficial natural features that act as buffer zones regardless of size. They also provide habitat, refuge and breeding grounds for waterfowl and a host of life forms. The environmental balance of these lands must be carefully considered by developers before they are disrupted. The region would benefit from updated delineation and mapping of its aquifers and recharge areas as well as floodplains and wetlands to insure inappropriate development does not occur in areas vulnerable to contamination.

To minimize water and soil pollution, the region needs to map out areas vulnerable to contamination and mitigate development in those areas. It also needs to clean up contaminated land and control improper industrial and public practices. This will improve quality of life and therefore economic development efforts in the region.

Waste Contamination

Solid Waste

Because all three counties have mandatory recycling for targeted portions of their waste stream, the development of dependable recycled materials markets is essential. Waste disposal costs must be kept low enough to satisfy business and residential communities. Achieving more viable recycling options will improve the region's appeal and quality of life.

The location, operation, maintenance, and closure of all regional landfills are influenced by public concerns for health and safety and the potential for groundwater and surface water contamination. Environmentally sensitive geographic areas include the Ellery Landfill, the Allegany County Sanitary Landfill, and the Hylands Landfill. Proposal for a private landfill in the Town of Farmersville has been opposed by Cattaraugus County due to potential impacts on an aquifer running from Ischua to Olean and providing water for the City of Olean.

Hazardous or Toxic Waste

In the Southern Tier West region, there are a number of sites contaminated by hazardous or toxic waste. Their cleanup and redevelopment hold great economic benefit. Redeveloping these areas would not only address obvious health issues, it would avoid expensive new infrastructure construction on greenfield sites (utilizing established infrastructure and conserving greenfield sites).

EPA Envirofacts for Southern Tier West Region

	Allegany County	Cattaraugus County	Chautauqua County	Southern Tier West Region
Facilities that Produce and Release Air Pollutants	21	49	85	155
Facilities That Have Reported Toxic Releases	7	21	64	92
Facilities That Have Reported Hazardous Waste Activities	187	470	637	1294
Large Quantity Generators	30	30	35	95
Small Quantity Generators	15	25	44	84
Treatment, Storage, or Disposal Facilities	0	3	0	3
Superfund Sites (only sites on final National Priority List)	1	4	0	5
Facilities With Permits to Discharge to Waters in the US	36	49	58	143
Transient Non-Community Water Systems (campgrounds, etc.)	58	104	149	311
Community Water Systems	28	56	69	153
Non-transient, Non-Community Water Systems (industrial, etc.)	6	17	14	37

Source: US Environmental Protection Agency, Envirofacts, 2009

In the past, the redevelopment of such sites was uninviting because of potential cleanup liability from public enforcement agencies (NYSDEC and EPA) and private lawsuits. However, incentives for remediation and redevelopment of these brownfield areas were established by New York State through the Voluntary Remediation Program and the Brownfields Opportunity Act. As a consequence, both Chautauqua and Cattaraugus County have initiated remediation and redevelopment projects. These counties have developed an initial inventory of potential contaminated sites, each of which should be investigated to determine contamination levels. Southern Tier West seeks to regionalize a brownfields assistance program and has held discussions with various parties in the region to strategize how this might be implemented.

Three Superfund Sites in the region containing hazardous and/or toxic substances have already been remediated in recent years, the Sinclair Refinery Site (Wellsville, Allegany County), the Friendship Foundry Site (Friendship, Allegany County), and the Van der Horst Site (Olean, Cattaraugus County). These sites are either cleaned up or officially closed.

An inactive hazardous waste site is any area or structure used for the long-term storage or final placement of hazardous waste, including but not limited to dumps, landfills, lagoons, and artificial treatment ponds. After August 25, 1979, no further permits or authorizations were issued by DEC or a federal agency for the disposal of hazardous waste. The 1999 New York State Department of Environmental Conservation's *Inactive Hazardous*

Waste Sites reveals that there are 39 classified Inactive Hazardous Waste Sites in the region. Each site has varying degrees of contamination but each needs action.

Nuclear Waste

The issue of nuclear waste has assumed heightened precedence in the region in recent years. Although the region produces virtually no nuclear waste, environmental concerns relate primarily to the West Valley Demonstration Project. This facility had been used for the first-phase processing of liquid nuclear waste products and currently is in the process of being decommissioned. Concerns exist regarding off-site permanent storage transportation, the long-term safety of the facility, and the local economic burden to replace the \$130 million annual facility operating budget. DOE's current work plan calls for leaving the site, with certain contamination still present. Federal legislation has been proposed that would change ownership of the 3,300-acre campus from NYSERDA to DOE, with a permanent DOE presence on site. The State has sued the federal government over this issue.

Infrastructure

Infrastructure is a critical influence on economic performance and development. Transportation networks, water and wastewater systems, telecommunications systems, electric and gas distribution, housing stocks, health and safety services, as well as recreational and cultural facilities can either support or constrain a region's economy. This section examines infrastructure in the Southern Tier West region and its economic impact. Southern Tier West advocates infrastructure development as a central tenet of its regional economic development strategy.

Transportation

For a region in southwestern New York State, transportation infrastructure either assists or limits economic performance and development. The rural region is located at significant distances from metropolitan markets and international transport centers (e.g. ports, international airports, etc.). This makes travel a likely obligation for businesses and employees. Adequate transportation access, both within the region and with respect to outside locations, is therefore critical to the economy as well as quality of life in the region.

In 2007, the New York State Department of Transportation (NYS DOT) contracted with Southern Tier West Regional Planning & Development Board to complete a Regional Transportation Strategy for the Southern Tier West region. Inasmuch as the region is the only area of the state without a metropolitan planning organization (MPO), the region has been without such planning capacity. In coordination with all three counties, Southern Tier West outlines this vision for the region's transportation system in its Regional Transportation Strategy adopted in June 2009:

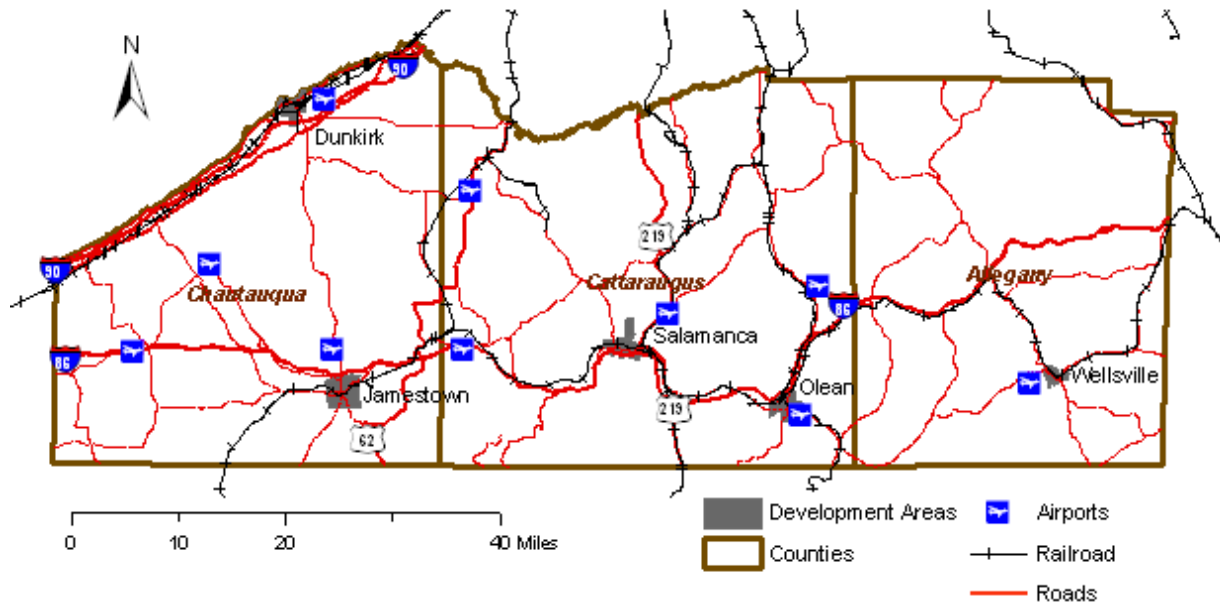
Southern Tier West's vision for the region's transportation system is that the system should provide for adequate passenger and freight service as measured in quality of service, timeliness of service, and cost of service, both within the region and also with respect to origins and destinations outside the region. The region's transportation system should be scaled to a size proportionate to demographic needs and be designed to allow modification as needs, technologies, economics, and the environment change. The region's transportation system should be capable of being maintained effectively at a cost reasonable for the return. Improvements to the system should be justifiable in terms of cost-benefit analysis. The region's transportation system should promote both economic development and quality of life, insure safety of users and the general public, secure against natural and man-made threats, and be developed in accordance with sound environmental and conservation principles.

Source: STW, [Southern Tier West Regional Transportation Strategy](#)

Southern Tier West has analyzed a number of transportation initiatives addressing regional transport needs. In its 2009 regional transportation strategy, Southern Tier West laid out fourteen regional priorities:

- Completion of State Route 219 as a four-lane limited access highway
- Upgrade of the existing 60/62 corridor in Chautauqua county
- Increase mobility between I-86 and the Village of Wellsville
- Support appropriate highway improvement projects in the three-county region
- Creation of a standardized road scoring system for all local roads
- Investigate strategically located Park & Ride lots
- Investigate the feasibility of creating a regional public transportation authority or transportation management association
- Explore opportunities to capitalize on ports such as New York, New Jersey, Buffalo and Dunkirk
- Investment in rail infrastructure to preserve existing mainline and shortline operators
- Development of multimodal facilities
- Construct multimodal facility to accommodate rail, truck and bus – freight and passenger
- Investigate the feasibility of creating a regional aviation authority
- Secure funding for self-service fuel farms at the four-system airports
- Increase marketing efforts of the region's system airports

Major Transportation Infrastructure for the Southern Tier West Region



Highway Transportation

The condition of specific highway corridors (e.g., US Route 62; NY Routes 60, 16, and 19; and Allegany County Route 19) often constrains development in the region. Improving these corridors has varying degrees of precedence at the county, region and state levels, however their recovery would spur development.

Interstate I-86 (also known as US Route 86, and formerly NYS Route 17) is the primary east-west highway for the region. The primary north-south highways in the region include NY Routes 60, 16, and 19 as well as US Routes 219 and 62. Interstate I-90 (also known as US Route 90) is another primary highway that provides both east-west and north-south transport, however it traverses only the western and northern edge of Chautauque County. Similarly, US Route 20 and NY Route 5 traverse the northern part of Chautauque County and are principal east-west and north-south arterials. Principal east-west arterials include NY Routes 394 and 417. Each of these highways, excluding I-86 and I-90, are two-lane highways.

The region strongly promotes development at all interchanges and along its major highway corridors (I-86, I-90, and US Route 219). Currently, the region's highest highway system priority is the completion of US Route 219 as a four-lane limited access highway. Southern Tier West has worked alongside the Route 219 Corridor Development Association of Southwest New York to see this critical corridor develop. Cattaraugus County has undertaken corridor economic development and land use planning along US Route 219 as well as NY Route 16. Allegany County has begun interchange planning for I-86 and similar planning and development initiatives are encouraged for I-90 interchanges. In conjunction with NYS Department of Transportation, Southern Tier West is also working to improve maintenance and development of I-86.

In 2002, there were renewed appeals to improve the connector highway I-86 from Falconer, New York to Warren, Pennsylvania. This long-term project has been proposed as either a four-lane or an upgraded two-lane highway with additional connecting sections. The proposed connector highway will promote commerce between the Warren and Jamestown/Falconer communities; provide Warren with better access to the interstate highway system; improve interstate access for industries in Falconer, Ellicott, and Jamestown; and help remove common carrier traffic from the Village of Falconer and the hamlet of Frewsburg. A future phase of the project would stretch northward from the Falconer I-86 interchange and connect to NY Route 60 in Gerry, bypassing the steep highway incline on NY Route 60 north of Jamestown.

Additional concerns involve increased development along secondary roads that result in lowered speed limits and constrained cost-effective commercial transportation. Smart growth concepts regarding feeder-road development are an important subject for counties and municipalities in the region. Furthermore, the maintenance of existing bridges and secondary roads is a highway transportation issue that threatens the long-term health of the regional

economy. A number of bridges in the region are already posted for weight limits while others have closed altogether or are scheduled for closure. The potential access for emergency vehicle access problems makes this an economic as well as public safety and health concern for the region.

Railroad Transportation

Over the long run, the economics of surface travel change and the comprehensive rail system in the Southern Tier West region is a unique and permanent economic asset that should actively be maintained and upgraded. Rail service in the region is provided on several mainlines and shortlines. Mainlines include Norfolk Southern's Southern Tier Extension Mainline (not currently in service as such), Lake Erie Mainline, Buffalo-Keating Mainline, and CSX's Lake Erie Mainline. Shortlines include the New York and Lake Erie Railroad and the Buffalo and Pittsburgh Railroad.

The Southern Tier Extension is the region's primary east-west mainline railroad. It traverses all three counties in the region and runs between Corry, PA and Hornell, NY. After many years of idleness, the rail line has undergone a dynamic revitalization due to the efforts of several institutions: Southern Tier West, Norfolk Southern, STERA (Southern Tier Extension Railroad Authority), NYS DOT, Western New York and Pennsylvania Railroad, and Allegany, Cattaraugus, Chautauqua, and Steuben Counties. The progression of this initiative was highly involved but in late 2003 the last section of the dormant railroad was re-opened, allowing freight service and through traffic along the entire line. Current efforts focus on continued rehabilitation of the line and enhanced traffic. The region is also focusing on obtaining State and federal investment for further rehabilitation and development of one or more intermodal or multimodal facilities, rail sidings, and manufacturing/distribution centers.

NYS DOT and the EDA have both invested in capital rehabilitation of the Southern Tier Extension railroad line, having provided funding to Southern Tier West to study the possibility of creating an intermodal freight transloading and warehousing facility and attendant manufacturing center somewhere along the New York state portion of the railroad line. With rich rail infrastructure, the region has an ideal location and the demand for a multimodal freight transfer facility. Southern Tier West is in the late stages of completing a contract that will identify the feasibility and site selection for a proposed center. The potential employment and economic spin off of such a facility makes it an important development activity for the region.

In 2007, STERA entered into a transaction with Norfolk Southern and the Western New York and Pennsylvania Railroad for the north-south railroad between Machias Junction in Cattaraugus County and Driftwood, Pennsylvania. The relationship shows great potential for economic development along that railroad corridor.

Within the mainline rail system, the region's shortline rail system also faces challenges, including traffic volumes, rehabilitation cost issues, and potential abandonment. Both the mainline and shortline railways are threatened with critical repair, maintenance, and service issues. New York State and the federal government play critical roles in the retention, rehabilitation, and maintenance of mainline and shortline rail service. Southern Tier West and all three counties are actively participating in railroad transportation initiatives for the region.

Air Transportation

In the three counties of the Southern Tier West region, there are 22 private/restricted use airports, of which one is publicly owned, which are generally, used for aircraft owners' business and recreational aviation needs. There are 10 airports in the Southern Tier West region that allow public use, of which four are publicly owned. The four public-use, publicly owned airports are considered to be the Southern Tier West Regional Aviation System. The Chautauqua County-Jamestown Airport is the only air carrier airport in the region; while the Chautauqua County-Dunkirk, Cattaraugus County-Olean, and the Wellsville Municipal Airports provide general aviation services.

Airline service at Jamestown is currently subsidized by the US Department of Transportation, Federal Aviation Administration under their Essential Air Service (EAS). The program allows small rural commuters to be able to connect to a hub airport (approximately 40 hubs in the country). Requirements of the program include demographics criteria and certain number of miles to the nearest hub airport. While Buffalo is not considered as a hub airport, the following airports do qualify as hubs: Pittsburgh, Cleveland, Philadelphia, DC, JFK, La Guardia, and Newark. Every two years in April, any airline can bid on an airport to provide passenger service meeting the following requirements:

- The airline must fly to a hub from rural airport
- Two engine plane

- Turbo prop
- No less than two flights a day

Since October 1, 2008, Gulfstream International Airlines contracts with Continental Comair to provide nonstop passenger service between Jamestown and the Cleveland Hopkins International Airport in Ohio (a hub for Continental Airlines).

Considering that the Jamestown airport has no control over the air carrier chosen, its passenger service schedule, the hub it flies to, or the cost of the flight, there is little that the airport can do to address passenger concerns. The perceived inadequacy of the region's passenger air transportation system as a major constraint to economic development should be examined more closely. The most frequent complaint of the region's air travelers is the lack of cost-competitiveness of the region's passenger service (e.g., Jamestown) as compared to service outside the region (e.g., Buffalo, Rochester, and Erie). Generally, how much the flight costs is the deciding factor when choosing the airport. However, there are other costs that a customer should look at: the total amount a person spends on flight travel – airline costs, parking, and other fees – and how much a person's time is worth. Factoring in the overall benefits provided by the Jamestown airport - free parking, easy and fast security, less travel time to and from the airport, etc., it may be highly competitive to certain travelers.

In the 2009 Regional Transportation Strategy, several needs were voiced by the four major airports in the region: financial assistance, self-service fuel farm, increased utilization, and marketing.

Public Transportation

The dependent population (youth, elderly, handicapped and disabled) in the region is largely impacted by transportation. The region's general lack of public transportation constrains public access and therefore employment opportunities and economic development. In 2000, 3% of the workforce was able to work from home, while 77% drove alone to work and 12% carpooled. Less than 1% of all workers use the county-wide public transportation services available in two counties and the average time spent traveling was 20.6 minutes. The economy of any rural region depends on an efficient, effective, comprehensive, and coordinated transportation system.

In 2005, the Safe, Affordable, Flexible, Efficient Transportation Equity Act, A Legacy for Users (SAFETEA-LU) created a requirement that a locally-developed, coordinated public transit/human service planning process and an initial plan be developed by 2007 as a condition of receiving funding for certain programs directed at meeting the needs of older individuals, persons with disabilities and low-income persons. Federal Legislation not only required a Coordinated Public Transit-Human Services Transportation Plan to be completed, but required all agencies to coordinate with related services in order to maintain their Federal funding. The development of a mobility plan for all public transit follows the completion of the coordination plans in planning process. Creation of an effective mobility program must include open communication between agencies, utilization of shared services, increased service area, decreasing vehicle needs, an understanding of community needs, and a broad awareness of public transit options.

The Federal legislation placed a new emphasis on public transportation in rural areas. The three counties in the region seized this opportunity to capitalize on the existing services and develop a more comprehensive service to meet the needs of the dependent population as well as the general population. Allegany and Chautauqua Counties completed their coordinated plans in 2007. Allegany County also completed a Mobility Management Plan in 2008 and is currently working on its implementation. Chautauqua County is currently working on a mobility management plan for the county. Cattaraugus County is in the process of updating their 1995 coordinated plan (to be completed in the fall 2009) and is also working on a mobility management plan. Through the development of these plans, there is the potential for expansion of the Chautauqua Area Regional Transportation System (CARTS) in Chautauqua County, Allegany County Transit (ACT) in Allegany County, and the Olean Area Transit System (OATS) in the City of Olean, Cattaraugus County; along with the incorporation, coordination and cooperation of other transportation human service organizations; as well as the possibility of a regional public transportation system.

Water and Wastewater

Municipal Water Systems

While there are numerous municipal water systems throughout the region, the cost constraints associated with serving sparsely populated areas prevent even the largest systems from supplying more than localized areas. The region's water systems are typically organized along municipal or sub-municipal boundaries, although in several densely populated areas municipal interconnections exist. Small systems or individual wells provide service to more rural areas.

Inadequate quantity, quality, and/or distribution of water systems constrain economic development in many municipalities. Allegany County has discussed constructing an interconnecting multi-municipal water system that would connect Andover, Wellsville, Scio, Belfast, Belmont, Belvidere, and Friendship. This would promote economic development along the communities' connector highway corridor and provide water service to a given community in the event of a failure. The Allegany County Health Department has suggested certain elements of this project - Village of Belmont (north toward Belvidere), Village of Belfast (south toward Belvidere, north toward Caneadea). If the comprehensive system is not built, Allegany County Industrial Development Agency, as part of the Crossroads Business Park Infrastructure Project, has contemplated an initial phase or stand-alone project that would service the Crossroads (I-86/NYS Route 19 interchange) water system via the Town of Friendship. When approving sites for economic and community development, municipalities must consider the need for eventual municipal water sources. Certain development activities may negatively affect groundwater and aquifers, which increases the difficulty of siting future municipal and private water supply sources.

Municipal Wastewater Systems

Proper wastewater treatment is essential to preserving the environment and assuring the safety of the region's drinking water supplies. Therefore, wastewater treatment facilities must be continually monitored to insure their efficiency. Additionally, inadequate wastewater treatment infrastructure can constrain economic development activities in the region. The region's cities and most of its larger villages offer secondary treatment at their wastewater facilities. As with municipal water systems, wastewater systems are typically organized along municipal or sub-municipal boundaries and cost constraints prevent them from servicing more than localized areas. On-site septic systems collect wastewater for smaller villages and rural areas.

Several communities still need to improve their wastewater treatment capabilities (i.e., either increased or improved treatment capacity or the development of public wastewater collection/treatment systems where none exists). The reason for improvements range from the inability of the environment to assimilate the overloading of wastes (resulting in the bacterial contamination of water bodies and/or wells), to odor problems from malfunctioning septic systems, to limits on community growth potential where systems are at or near capacity. The adequacy of existing facilities to treat the wastes of a larger population and/or of increased business/industrial operations depends on the capacity and technology of the treatment plant. In some areas, pretreatment may be required of industries that discharge effluent to a municipal treatment plant due to capacity and/or technology limitations.

Telecommunications

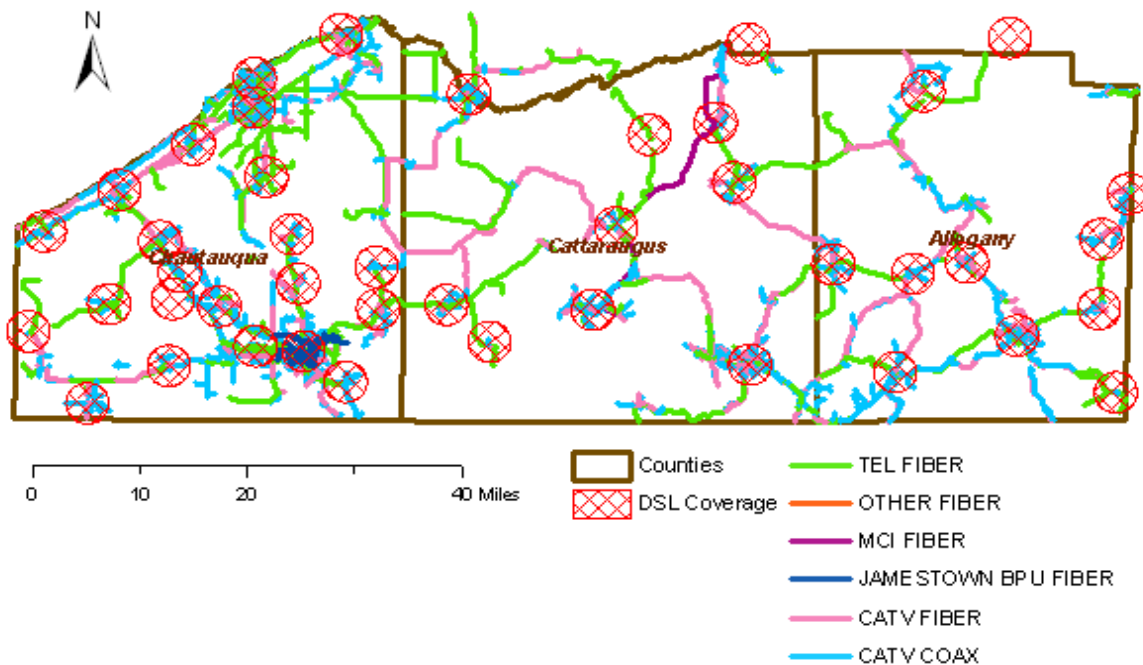
The region's telecommunications infrastructure impacts economic development, education, health, and government activities. Telecommunications infrastructure is an essential component of a competitive infrastructure system and critical for retaining and attracting business in the region. Throughout the region there are varied telecommunications infrastructures with a number of state-of-the-art facilities. While the region as a whole may lack the newest comprehensive telecommunications infrastructure, the region has localized and sub-regional infrastructures with modern communication centers and with as up-to-date telecommunications capacity as any location in the country.

Telecommunications infrastructures available in the region include Fiber Optics, T1, DSL, ATM, and ISDN. Fiber optics is the region's basic telecommunications infrastructure and is adequately accessible in most parts of the region. All elementary and high schools within the region have fiber optics capabilities, while all colleges and universities have high-speed Internet access for such programs as Distance Learning. While there is a reasonable amount of availability, the Southern Tier West region does not have universal fiber coverage. Broadband in New York State is served by a looped fiber optic ring mainline system, and the only region within the state in which the

ring has not been built is in the three Southern Tier West counties. Due to higher "last mile" cost than more urban parts of the country, the region is at a competitive disadvantage. The expansion and continued development of the broadband system is therefore a priority item for regional development.

Broadband access is a crucial supplement to current and future economic development activities. It will provide opportunity for existing businesses to expand and potentially provide incentive for businesses outside the region to locate in the region. Southern Tier West is under contract with three broadband initiatives. The first project is a wireless solution in northern Allegany County. The second project is a fiber mapping project that will provide a detailed understanding of the telecommunications infrastructure in the region, and the third project will provide broadband network running from Jamestown, NY to Whitesville, NY. These initiatives are expected to have significant economic impact within several specific industry clusters (e.g., ceramics, glass and advanced materials and health services).

Broadband Coverage in the Southern Tier West Region



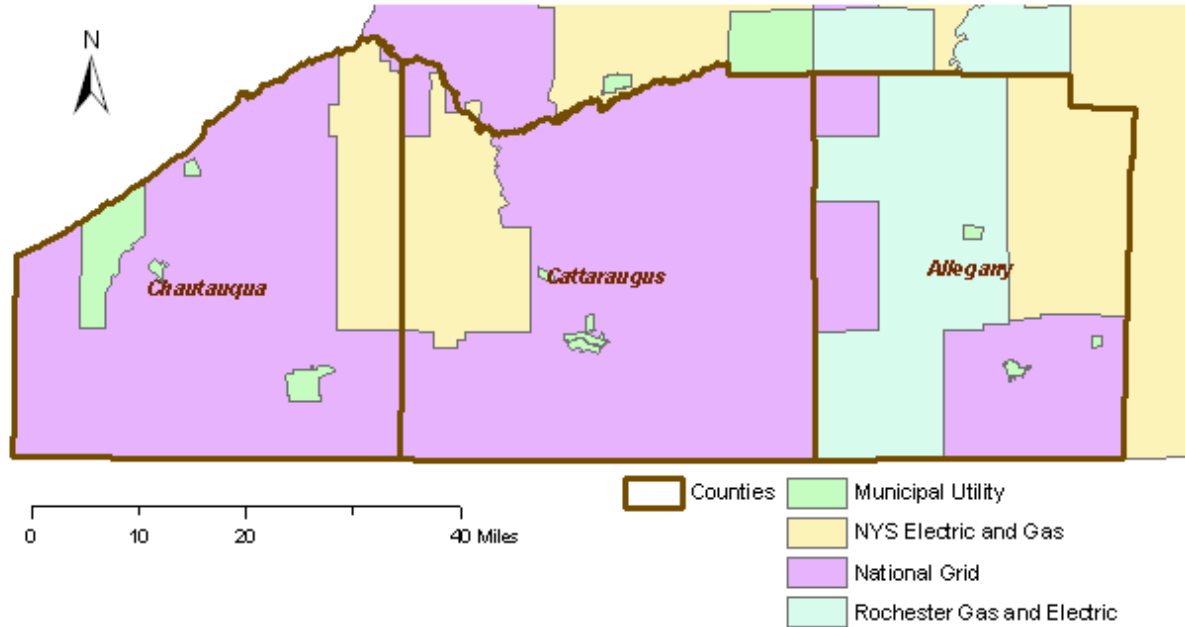
Energy Distribution

The majority of electric service available in the region is provided by New York State Electric and Gas Corporation, National Grid Corporation, the Rochester Gas and Electric Corporation, and Steuben Rural Electric Cooperative. There are also eleven small, municipally-operated electric systems in the region. Network gas pipeline service is available through the National Fuel Gas Corporation, Consolidated Edison New York, Columbia Gas of New York Inc., and Fillmore Gas Company Inc.

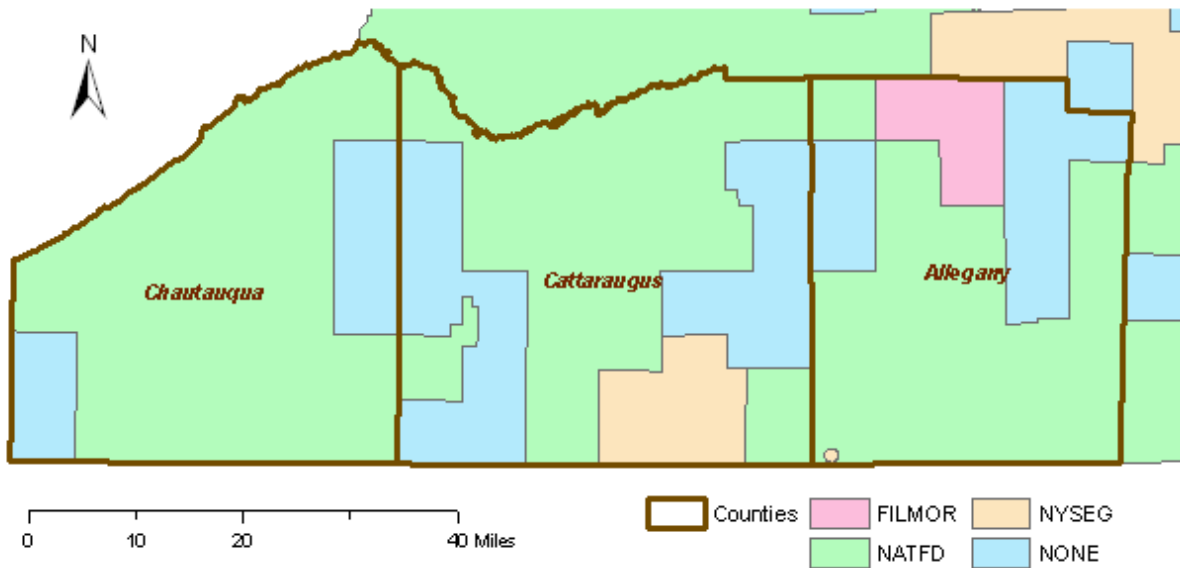
Electric and natural gas prices in New York State are generally higher than many other areas of the country. Escalating energy prices cause uncertainty and disruption that negatively impact the region's business and residential communities.

A large component of high electric prices in the region is the utility company practice of charging large manufacturers peak usage in order to guarantee availability. Approximately three-quarters of every dollar spent on electric service by consumers is for wheeling (distributing) the power while the remainder is the charge for the commodity itself. The region's rural character makes it easy for utility companies to operate without competition and with high price rates. These high energy costs are a large incentive for the region to look for alternative energy sources and invest in alternative energy research.

Power Providers in the Southern Tier West Region

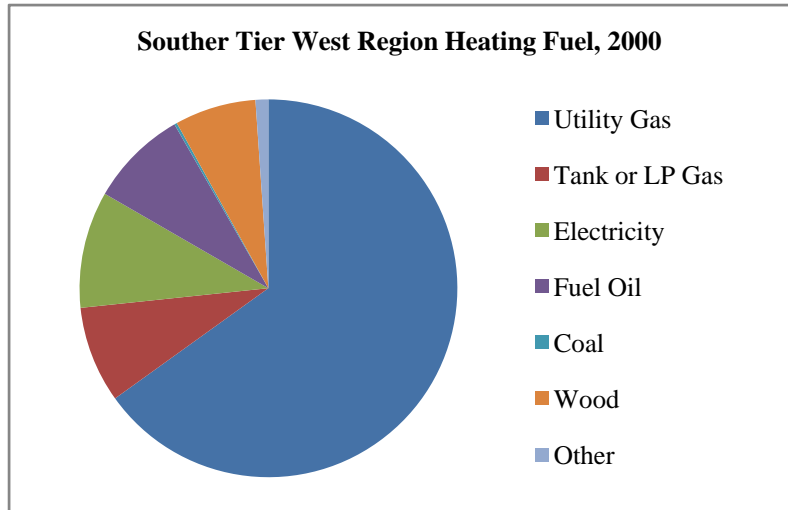


Natural Gas Providers in the Southern Tier West Region



In 1999, New York State began the process of deregulating electric and gas utilities. Utility companies are divested of electricity generation facilities and limited to wheeling (distribution). Consumers pay the utility company for wheeling but are free to purchase their electricity from any generator. The recreated competition amongst electricity generators is intended to reduce consumers' total electricity bill. Consumers can negotiate lower commodity bills depending on their market power and market competitiveness; however the consumer still faces a local monopoly in the distribution market which is the larger portion of their total electricity bill. The eleven small, municipally-owned electric systems in the region are not to be affected by the deregulation of the electricity industry in New York State and are able to offer consumers much lower electricity rates because of a long term contract for inexpensive hydropower.

As NYS attempts to regulate utility companies, the development of alternative fuel and energy sources is becoming a common theme. The wind turbine farm movement is gaining attention within the region. Depending on individual community desires, Southern Tier West is working to either facilitate or halt wind turbine construction. Proposals for bio-fuel and bio-diesel production facilities have also dominated energy discussion in several locations within the region.



Source: U.S. Census Bureau, 2000 Census

Housing & Historic Preservation

Since 1970, the number of housing units in the region has increased - including the number of units in the region's rural areas. The percentage of year round housing occupied by owners also appears to be rising, but the significance of this is unclear. Single family residences comprised the largest proportion of housing units within the region in 1990 (65%), compared to about 42% statewide and 66% nationwide. However, this single family residence percentage is down significantly from 69% in 1980 and 71% in 1970.

Housing Characteristics as Percent of Total Housing Units, 2000

	Housing Units	% Vacant	Occupied Units	% Owner Occ.	% Renter Occ.	Urban Housing	Rural Housing	Median Value
Region	129,244	19.1%	104,547	71.6%	28.4%	43.7%	56.3%	\$57,666
New York State	7,679,307	8.1%	7,056,860	53.0%	47.0%	85.6%	14.4%	\$147,600
United States	115,904,641	9.0%	105,480,101	66.2%	33.8%	n/a	n/a	n/a

Source: U.S. Census Bureau, 2000 Census

The 1980 Census indicated that as much as 60 % of the region's year round housing units were built in 1939 or earlier. This indicates that the region overall suffers from an aging and older housing stock, especially when compared to New York State and the United States, and it is not being replenished. In general, there was a surge in home building in the region during the 1970's, but home building in general has decreased every decade since the 1970's.

Age of Housing Stock by Year Built (expressed as percent of total 2000 housing stock)

	1960 or later	1940-1959	1939 or earlier
Region	39.1%	17.8%	43.1%
New York State	40.4%	28.3%	31.2%
United States	65.0%	20.0%	15.0%

Source: U.S. Census Bureau, 2000 Census

Additionally, in 1970, mobile homes made up 4.25% of the total year round housing units in the region. By 1980, this percentage had risen to 6.9%, and by 1990, it had risen to 12.71%, falling slightly to 11.96% in 2000. In one sense, these statistics indicate increasing economic distress within the region. As a comparison, mobile homes as a

percentage of total housing units for the State as a whole went from 1.26% in 1970, to 1.80% in 1980, to 4.19% in 1990, to 2.70% in 2000, indicating on a relative basis a higher level of economic distress in the region as compared to the State as a whole. In the last 10 years, the total number of mobile homes in the entire State dropped by almost a third, while there actually was a slight increase in the total number of mobile homes in the region.

The median value of all specified owner-occupied housing units for the Southern Tier West counties was significantly lower than the corresponding State number in 1980. The median value of homes in Allegany County (\$37,500) and Cattaraugus County (\$42,000) are the two lowest median values for all of the counties in the State, while Chautauqua County's median home value (\$47,600) is the fifth lowest. The median value of homes in the State as a whole is \$147,600. The Allegany County figure is 29% of the State figure. Further this gap in median housing value had increased dramatically from 1980 to 1990, indicating increasing economic distress.

In 1999, Southern Tier West completed the Regional Housing Assessment and Development Strategy, a multi-agency, multi-county assessment study of the region's housing stock. This study confirmed and extended the Census data in a number of regards. The study determined:

- High vacancy rate in the general housing market
- Sub-areas of the region with a saturated housing market (i.e., supply of housing exceeds demand for housing)
- Typical housing units are on the market longer than in the past
- High availability rate for older housing units
- Replacement units are not being built, resulting in an aging housing stock
- Inadequate luxury/high income housing
- Recent efforts to improve the housing stock center on construction of income-subsidized units and elderly units and the rehabilitation of dilapidated units

The study concluded that overall the region's housing stock is adequate for the current and projected population's needs, both in terms of number and condition of the housing. However, the study also concluded that there is a need for revitalization of the region's housing stock through rehabilitation and/or removal of dilapidated and sub-standard units, focusing on higher-end (luxury) units, and infrastructure improvements in neighborhoods and parks. The quality of housing stock impacts not only quality of life, but also economic development efforts.

With a number of structures within The National Register of Historical Places, the region has a number of preservation obligations that may enhance as well as constrain economic development. The presence of archeologically significant areas in the region is largely due to the historic presence of a large Native American population. The region's historical and cultural resources can prove very beneficial if carefully and effectively utilized.

Two major resources that outline areas of archeological sensitivity are: NYS Archeological Sensitivity maps and the *A Future for Our Past* map. The NYS Archeological Sensitivity maps indicate areas in each county where archeological sites are known as of March 1992, however they do not identify areas where sites could likely be found. A more dated map, developed for a 1977 Southern Tier West report entitled *A Future for Our Past*, indicates both actual and probable sites of archeological significance.

Health & Safety

Health Services

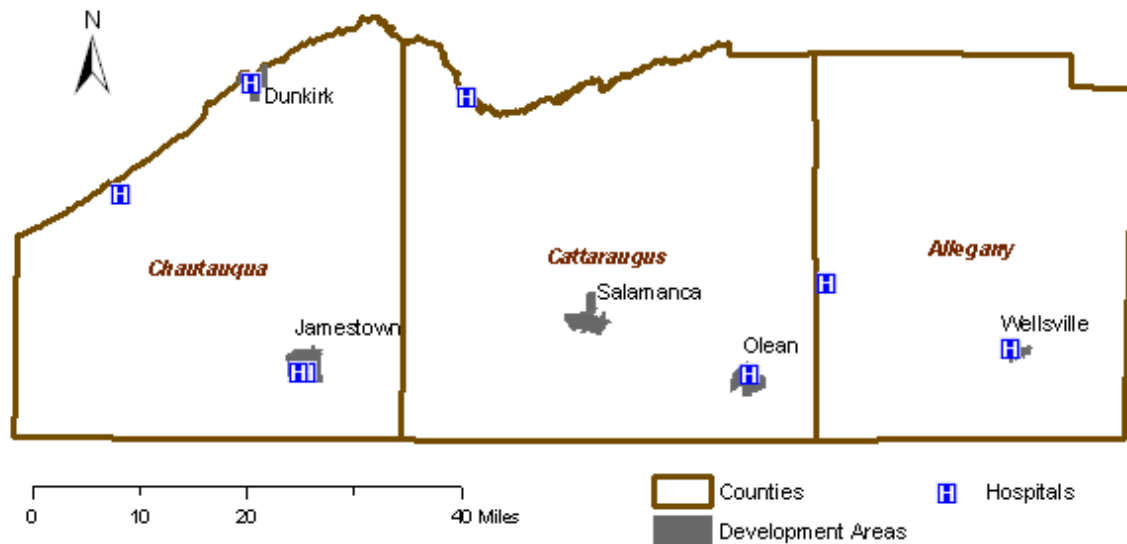
Basic health services are essential for providing adequate quality of life and promoting economic development. In the Southern Tier West region, the number of healthcare providers is decreasing and existing providers are becoming increasingly ill-equipped. Hospitals in the region report financial problems due to low utilization and low reimbursement rates. Jamestown General Hospital (1988), the Salamanca District Hospital (1990), and the Saint Francis Hospital in Olean (1992) have all closed in recent years, with the Westfield Hospital scheduled to follow. The loss of any hospital diminishes the availability of urgent, emergency, and ambulatory care services as well as primary care providers.

The New York State Berger Commission was established by the NYS Governor to undertake a rational, independent review of health care capacity and resources in New York State. It was created to ensure that the regional and local supply of hospital and nursing home facilities is best configured to appropriately respond to community needs. The

Final Report released in November 2006 recommended a reconfiguration of 48 hospitals across NYS, for the Southern Tier West region it made the following major recommendations:

- Bertrand Chaffee Hospital should downsize by at least 25 beds, seek designation as a critical access hospital, and affiliate with TLC Tri-County and TLC Lake Shore.
- Brooks Memorial Hospital should seek designation as a sole community provider.
- TLC Tri-County should downsize 28 medical/surgical beds and convert the remaining 10 medical/surgical beds to detoxification beds.
- TLC Lake Shore should downsize all 42 medical/surgical beds and 40 nursing home beds and convert to an Article 28 diagnostic and treatment center. At its option Lake Shore should continue to operate approximately 20 psychiatric beds or these beds should be added by another local sponsor.
- Westfield Memorial Hospital should downsize all 32 inpatient beds and convert to an Article 28 diagnostic and treatment center.

Major Hospitals for Southern Tier West Region



To make the region attractive to business and industry, such programs as home health care, health clinics, primary and preventive health, and urgent and emergency medical services should be expanded. Currently, the majority of primary care physicians throughout the region are aging, and the region needs more direct efforts to recruit younger, newly trained physicians. Steps to stabilize and improve the region's health care system will improve quality of life and economic development potential in the region.

The region's most critical health care issues include:

- hospital closures and inadequacies
- general inaccessibility of healthcare - including the availability of emergency and mental health services
- declining financial health of smaller hospitals
- inadequate health service delivery system
- lack of available health care personnel (including primary care physicians)
- high cost of services

Market trends that have threatened the region's health care system include:

- a decreased need for in-patient care
- an increased reliance on out-patient and emergency services
- increasing medical demands of hospitalized patients

- changing demographics
- changing reimbursement systems, medical technology, manpower programs, and malpractice insurance
- transportation access

Public Safety Services

Despite its rural character, the Southern Tier West region has seen a growing demand for enhanced public safety services, including fire departments, police departments, emergency response teams, and environmental health professionals. The US DOL claims that most businesses that close during a large-scale disaster fail to re-open; therefore efficient emergency response is a critical quality of life issue as well as an economic development issue.

While all three counties have enhanced *Emergency 911* service, the region lacks a comprehensive emergency-related database that can be communicated through a wireless system (lest a natural or man-made disaster should cause electric and traditional telephone service to be unavailable). Public safety programs and emergency response protocols for potential terrorism and other disturbances are largely coordinated through State and county law enforcement authorities as well as the region's hospital system. A coordination of these efforts could greatly benefit the region.

Fire protection service is internally provided by all but the smallest townships in the region. The Southern Tier West region has 88 towns (any of which may include one or more of the region's 38 villages) and four cities. There are currently 81 fire protection districts and 47 fire districts in the region. Many rural townships lack sufficient dry hydrants (e.g., standpipes in ponds) to serve pumper trucks responding to fires in sparsely populated areas. Addressing this will improve public safety while lowering fire insurance rates in many of the region's smaller communities. Operating fire protection services and emergency medical services (often associated with fire protection districts or with stand-alongside non-profit and/or volunteer emergency service organizations) has become increasingly expensive and as such needs to be addressed by the region.

Recreational and Cultural Facilities

Our rural region is blessed with a number of natural and man-made recreational opportunities:

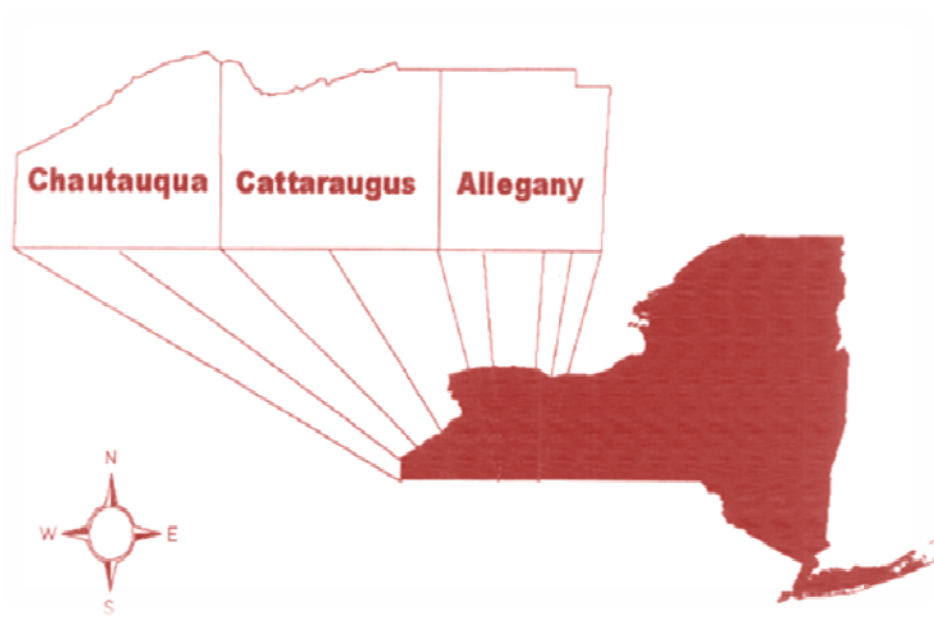
- Allegany State Park
- State and county parks
- State forests
- rural countryside
- down-hill and cross country ski resorts
- ATV parks and recreational trails
- recreational lakes
- Lake Erie shoreline
- and more...

There are numerous arts organizations across the three counties, covering most of the arts media. Cultural and arts tourism has grown substantial in the region.

Eco-tourism is also taking a prominent role in the overall tourism market of the region. Conservation and preservation is being integrated into regional investments to develop facilities and programs featuring the region's natural and environmental assets.

Despite the existence of many recreational and cultural facilities, the region's recreational and cultural offerings continue to be perceived as insufficient in terms of successfully promoting quality of life, tourism, and economic development.

Southern Tier West Regional - Comprehensive Economic Development Strategy



County Economic Profiles

Allegany County

Allegany County has a land area of approximately 1030 square miles and a population density of 48.5 per square mile. From 1980 to 2000, Allegany County's population *decreased* by 4% (an average annual change of -90.75)

Select Economic Indicators for Allegany County, NY

	Value	Rank in State (62 counties)		Value	Rank in State (62 counties)
Population (2008)	49,649	48	Per Capita Personal Income (2007)	\$23,292	62
Growth since 2000	- 0.6 %	33	Median Household Income (2007)	\$37,954	-
Households (2000)	18,009	-	Poverty Rate (2007)	16.7%	-
Labor Force (2008)	23,900	-	H.S. Diploma or More (2000)	83.2%	-
Unemployment Rate (2008)	6.5%	-	Bachelor's Degree or More (2000)	17.2%	-

Per Capita Personal Income Trends for Allegany County, NY

	Value	Rank in State (of 62 counties)	As % of year's NYS Per Capita Income	As % of year's U.S. Per Capita Income
Per Capita Income – 2007 Adjusted for inflation	\$23,292	62	50%	60%
Per Capita Income – 1997 Adjusted for inflation	\$16,862	61	56%	67%
Per Capita Income – 1987 Adjusted for inflation	\$10,865	62	57%	67%

Source: U.S. Bureau of Labor Statistics, New York State Department of Labor

Of the Southern Tier West three-county region, Allegany County is the most rural and least populated area. While it has the most stable population growth rate of the region (only a 0.6% decrease since 2000), it also has the highest poverty rate and lowest median household income - largely a result of its more rural character. The County's per capita income has consistently been the lowest in both the region **and** the State. It is currently only 50% of New York State's per capita income and 60% of the national per capita income. A positive trend for the region is its high percentage of high school graduates. It has the highest percentage of people receiving a high school diploma out of the three-county region as well as the highest percentage gaining a bachelor's degree or more.

Allegany County's labor force is growing at the fastest rate of the region's three counties - increasing 4.8% from 2000-2008. The number of employed has also *not* decreased since 2000 as in the other two counties. This means that Allegany County is assuming an increasing percentage of the regional labor force while the other two counties are losing their percentages of regional labor. Allegany County's unemployment rate is consistently above State and national levels and has seen drastic increases since 2000, along with the entire region. In the last year, it experienced the highest unemployment rates for the County since the early 1990s. While reflecting national trends, unemployment rates constantly exceeding State and national levels reveals economic distress in the county.

As of 2007, the largest employment sectors for Allegany County were public administration (government), manufacturing, health and social assistance, retail trade, and education. The County appears to be losing manufacturing employment, while it is experiencing some growth in education, health services and agriculture. Between 2000 and 2007, the County's manufacturing sector had a loss of 354 jobs or 15% of that sectors 2007 employment. Allegany County is highly impacted by manufacturing decline. Employment trends in all other sectors of the County appear relatively flat, or marginally positive. Because the NYS DOL combines data for seasonal industry employment (e.g., winter recreation and tourism-based industries) with data for other sectors (e.g., service sector), employment in some industries are under or overstated. It can be said, however, that there is a large employment base relating to seasonal agriculture (farming and processing operations) and recreation/tourism.

The average annual wage in Allegany County was \$30,785 in 2007. The average wage for New York State was \$59,499 in 2007. This makes Allegany County's average wage only 51.7% of New York State's average wage or \$28,714 less. The County's highest average wages are paid in the utilities sector, educational services sector, manufacturing sector, and construction sector.

Allegany County, NY Employment and Wages by Industry Sector (2007)

Description (by NAICS)	Establishments	Jobs	% Distribution in County	Total Wages	Avg. Annual Wage
Total, All Industries	941	13,868	100.0%	\$426,930,995	\$30,785
Total, All Private	831	9,708	70.0%	\$295,627,338	\$30,452
Agri., Forestry, Hunting	18	183	1.3%	\$4,319,590	\$23,978
Mining	-	-	-	-	-
Utilities	6	72	0.5%	\$4,574,722	\$63,538
Construction	65	346	2.5%	\$13,817,716	\$39,936
Manufacturing	49	2,389	17.2%	\$106,877,203	\$44,737
Wholesale Trade	23	184	1.3%	\$7,287,509	\$39,606
Retail Trade	152	1,375	9.9%	\$25,248,938	\$18,363
Transportation, Warehousing	14	175	1.3%	\$6,794,358	\$38,825
Information	23	113	0.8%	\$2,756,613	\$24,395
Finance and Insurance	33	205	1.5%	\$6,437,439	\$31,402
Real Estate, Rental, Leasing	23	53	0.4%	\$1,231,050	\$23,227
Professional, Technical Services	54	209	1.5%	\$6,089,681	\$29,137
Mgmt. of Companies & Enterprises	3	118	0.8%	\$3,519,577	\$29,827
Administrative, Waste Services	26	192	1.4%	\$3,359,652	\$17,498
Educational Services	11	869	6.3%	\$37,627,929	\$43,300
Health Care, Social Assistance	91	1,463	10.5%	\$33,438,785	\$22,856
Arts, Entertainment, Recreation	17	129	0.9%	\$1,779,629	\$13,796
Accommodations, Food Services	90	1,092	7.9%	\$11,979,206	\$10,970
Other Services (exc. public admin)	109	405	2.9%	\$6,565,886	\$16,212
Public Administration	110	4,160	30.0%	\$131,303,657	\$31,563

Source: U.S. Bureau of Labor Statistics, New York State Department of Labor

Cattaraugus County

Cattaraugus County has a land area of approximately 1,310 square miles and a population density of 64.1 per square mile. From 1980 to 2000, Cattaraugus County's population *decreased* by 2% (an average annual change of -87.1).

Select Economic Indicators for Cattaraugus County, NY

	Value	Rank in State (62 counties)		Value	Rank in State (62 counties)
Population (2008)	79,688	35	Per Capita Personal Income (2007)	\$28,841	44
Growth (%) since 2000	-5.1	61	Median Household Income (2007)	\$40,830	-
Households (2000)	32,023	-	Poverty Rate (2007)	15.8%	-
Labor Force (2008)	41,700	-	H.S. Diploma or More (2000)	81.2%	-
Unemployment Rate (2008)	6.2%	-	Bachelor's Degree or More (2000)	14.9%	-

Per Capita Personal Income Trends for Cattaraugus County, NY

	Value	Rank in State (of 62 counties)	As % of year's NYS Per Capita Income	As % of year's U.S. Per Capita Income
Per Capita Income – 2007 Adjusted for inflation	\$28,841	44	62%	75%
Per Capita Income – 1997 Adjusted for inflation	\$18,625	51	62%	74%
Per Capita Income – 1987 Adjusted for inflation	\$12,142	56	64%	75%

Source: U.S. Bureau of Labor Statistics, New York State Department of Labor

Cattaraugus County is the second most populated county in the three-county Southern Tier West region. Since 2000, it has seen a decrease in its population of 5.1%, the highest of all three counties. As of 2007, Cattaraugus County was the region's most wealthy county in terms of median household income and per capita income. The region's per capita income was 62% of New York State's and 75% of the national per capita income in 2007. In that same year, Allegany County was 50% and Chautauqua County was 58% of the State per capita income level. This is a relatively recent trend of prosperity for the County. Its poverty rate was slightly lower than Allegany County's and slightly higher than Chautauqua County's in 2007. Cattaraugus County has a significant percentage of its population receiving a high school diploma, however it has the lowest percentage of its population gaining a bachelor's degree or higher in out of the region's three counties.

Cattaraugus County's labor force has increased only 1.5% from 2000-2008, which has allowed the County to sustain its portion of the regional labor force. However unlike Allegany County, the number of employed in Cattaraugus County has decreased since 2000. The region's unemployment rate is steadily above State and national levels and has seen a drastic increase since 2000, along with the other two counties. In the last year, it has experienced the highest unemployment rates for the County since the early 1990s. While this reflects national economic trends, the County shares in the region's long-term trend of unemployment rates exceeding State and national levels.

Cattaraugus County also has experienced employment trends that are similar to those experienced by Allegany County between 2000 and 2008. As of 2007, the County's largest employment sectors were public administration (government), manufacturing, retail trade, and healthcare and social services – data on educational services was not available through the NYS DOL however the County has considerable employment in the educational services sector. Between 2000 and 2007, the County's manufacturing sector lost 1573 jobs or 35.4% of its 2007 employment in that sector. There has been growth in the government sector, health and social services, construction, and mining sector as well as in smaller employment sectors. Cattaraugus County is deeply impacted by the shifting economy and manufacturing decline. It must capitalize on its manufacturing expertise and infrastructure by developing comparative advantage in this sector and using innovative strategies.

The average wage in Cattaraugus County was \$32,058 in 2007. The average wage for New York State was \$59,499 in 2007. Cattaraugus County's average wage is only 53.4% of New York State's average wage or \$27,441 less. The region's highest average wages are paid in the manufacturing sector, wholesale trade sector, management sector, and administrative and waste services sector – wages are also likely high in the County's utilities and educational services sectors although the data is not present.

Cattaraugus County, NY Employment and Wages by Industry Sector (2007)

Description (by NAICS)	Establishments	Jobs	% Distribution in County	Total Wages	Avg. Annual Wage
Total, All Industries	1,847	31,307	100.0%	\$1,003,628,097	\$32,058
Total, All Private	1,692	21,018	67.1%	\$643,143,255	\$30,058
Agri., Forestry, Hunting	26	193	0.6%	\$4,858,759	\$25,175
Mining	20	148	0.5%	\$5,377,708	\$36,336
Utilities	-	-	-	-	-
Construction	161	754	2.4%	\$25,877,186	\$34,320
Manufacturing	88	4,443	14.2%	\$200,464,067	\$45,119
Wholesale Trade	76	731	2.3%	\$30,007,817	\$41,050
Retail Trade	348	4,181	13.4%	\$90,518,554	\$21,650
Transportation, Warehousing	42	404	1.3%	\$12,417,978	\$30,738
Information	16	254	0.8%	\$9,591,803	\$37,763
Finance and Insurance	75	605	1.9%	\$22,538,337	\$37,253
Real Estate, Rental, Leasing	64	234	.7%	\$5,540,822	\$23,679
Professional, Technical Services	94	423	1.4%	\$16,896,971	\$39,946
Mgmt. of Companies & Enterprises	10	174	0.7%	\$7,182,367	\$41,278
Administrative, Waste Services	57	666	2.1%	\$31,205,826	\$46,856
Educational Services	-	-	-	-	-
Health Care, Social Assistance	170	3,519	11.2%	\$102,284,219	\$29,066
Arts, Entertainment, Recreation	23	208	0.7%	\$3,336,292	\$16,040
Accommodations, Food Services	180	2,203	7.0%	\$27,481,235	\$12,474
Other Services (exc. public admin)	181	1,110	3.5%	\$18,570,132	\$16,730
Public Administration	155	10,289	32.9%	\$360,484,842	\$35,036

Source: U.S. Bureau of Labor Statistics, New York State Department of Labor

Chautauqua County

Chautauqua County has a land area of approximately 1,062 square miles and a population density of 131.6 per square mile. From 1980 to 2000, Chautauqua County's population *decreased* by 5% (an annual change of -359).

Selected Economic Indicators for Chautauqua County, NY

	Value	Rank in State (62 counties)		Value	Rank in State (62 counties)
Population (2008)	133,789	23	Per Capita Personal Income (2007)	\$26,986	54
Growth (%) since 2000	-4.3%	60	Median Household Income (2007)	\$38,926	-
Households (2000)	54,515	-	Poverty Rate (2007)	15.1%	-
Labor Force (2008)	67,300	-	H.S. Diploma or More (2000)	81.2%	-
Unemployment Rate (2008)	5.6%	-	Bachelor's Degree or More (2000)	16.9%	-

Per Capita Personal Income Trends for Chautauqua County, NY

	Value	Rank in State (of 62 counties)	As % of year's NYS Per Capita Income	As % of year's U.S. Per Capita Income
Per Capita Income – 2007 Adjusted for inflation	\$26,986	54	58%	70%
Per Capita Income – 1997 Adjusted for inflation	\$19,070	47	64%	75%
Per Capita Income – 1987 Adjusted for inflation	\$13,139	43	69%	81%

Source: U.S. Bureau of Labor Statistics, New York State Department of Labor

Chautauqua County is the most populated and urban of the Southern Tier West three-county region. Since 2000, it has seen a decrease in its population of 4.3%, the second largest in the region. Chautauqua County has also seen the most dynamic rate of decrease in per capita income and median household income. Cattaraugus County has been the most stable county in the region in terms of employment and income levels. In the last 20 years, Chautauqua County's per capita income went from assuming 69% of New York State's per capita income to assuming only 58%. At the national level, it was 81% of the national per capita income in 1987 and only 70% in 2007. Its per capita income level is currently lagging Cattaraugus County but exceeding rural Allegany County. Its poverty rate is also above Cattaraugus County levels but below Allegany County levels. Chautauqua County sees a significant percentage of its population receiving high school diplomas but a lesser percentage go on to attain bachelor's degrees or higher.

Chautauqua County's labor force has experienced a decrease of -1.1% since 2000, and it has assumed a decreased percentage of the regional labor force as Allegany County assumes more. From 2000 to 2008, the number of employed in Chautauqua County has seen the greatest percentage decrease out of the three counties, and its unemployment rate has seen the greatest increase over that time. The unemployment rate exceeds State and national levels. In the last year, it experienced the highest unemployment rates for the County since the early 1990s. While

this reflects national economic trends, the County shares in the region's long-term trend of unemployment rates above State and national levels.

Chautauqua County has experienced employment trends similar to those experienced by Allegany and Cattaraugus County between 2000 and 2008. As of 2007, the County's largest employment sectors were public administration (government), manufacturing, retail trade, and healthcare and social services. Between 2000 and 2007, the County's manufacturing sector lost 2249 jobs or 16.5% of its 2007 employment in that sector. There has been small growth in the County's other employment sectors. Chautauqua County is thus also deeply impacted by the shifting economy and manufacturing decline and must capitalize on its manufacturing expertise and infrastructure by developing comparative advantage in the manufacturing sector and implementing innovative strategies.

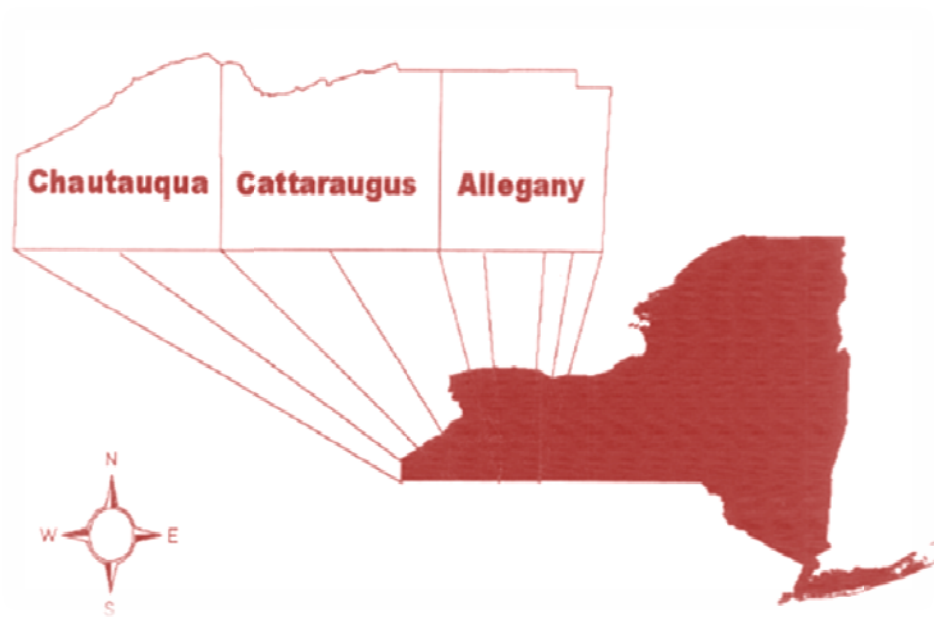
The average wage in Chautauqua County was \$30,884 in 2007. The average wage for New York State was \$59,499 in 2007. Chautauqua County's average wage is only 51.9% of New York State's average wage or \$28,615 less. The region's highest average wages are paid in the mining sector, utilities sector, manufacturing sector, and wholesale trade sector – wages and employment are also likely higher than noted in the educational services sector.

Chautauqua County, NY Employment and Wages by Industry Sector, 2007

Description (by NAICS)	Establishments	Jobs	% Distribution in County	Total Wages	Avg. Annual Wage
Total, All Industries	3,313	55,065	100.0%	\$1,700,608,374	\$30,884
Total, All Private	3,150	45,289	82.2%	\$1,327,867,188	\$29,320
Agri., Forestry, Hunting	50	415	0.8%	\$9,088,260	\$21,899
Mining	19	199	0.4%	\$10,252,403	\$51,520
Utilities	9	285	0.5%	\$23,477,286	\$82,376
Construction	282	1,596	2.9%	\$57,834,376	\$36,237
Manufacturing	226	11,338	20.6%	\$488,748,995	\$43,107
Wholesale Trade	135	1,451	2.6%	\$57,944,341	\$39,934
Retail Trade	537	6,831	12.4%	\$138,298,585	\$20,246
Transportation, Warehousing	97	1,269	2.3%	\$42,072,677	\$33,154
Information	51	780	1.4%	\$23,576,331	\$30,226
Finance and Insurance	165	919	1.7%	\$36,615,467	\$39,843
Real Estate, Rental, Leasing	99	477	0.9%	\$10,875,724	\$22,800
Professional, Technical Services	186	987	1.8%	\$31,632,518	\$32,049
Company, Enterprise Mgmt.	20	250	0.5%	\$9,178,908	\$36,716
Administrative, Waste Services	124	2,002	3.6%	\$37,983,597	\$18,973
Educational Services	23	351	0.6%	\$9,442,556	\$26,902
Health Care, Social Assistance	313	7,454	13.5%	\$210,925,876	\$28,297
Arts, Entertainment, Recreation	66	1,037	1.9%	\$16,651,305	\$16,057
Accommodations, Food Services	328	5,196	9.4%	\$59,964,418	\$11,540
Other Services (exc. public admin)	369	2,411	4.4%	\$39,587,748	\$16,420
Public Administration	163	9,776	17.8%	\$372,721,	\$38,128

Source: U.S. Bureau of Labor Statistics, New York State Department of Labor

Southern Tier West Regional - Comprehensive Economic Development Strategy



Regional Economic Analysis

Overview

This chapter is an in-depth analysis of the regional economic profile with regards to economic development potential. It identifies the strengths and weaknesses of the region's socioeconomic makeup as well as economic clusters with significant growth opportunity. The elements of strengths, weakness, and opportunities in this section are highly interrelated. Some strengths, for example, are also weaknesses – the workforce is an example. The CEDS identifies the following as regional strengths and weakness with regards to economic development:

Strengths	Weaknesses
<ul style="list-style-type: none">• Metropolitan Market Proximity• Transportation System Planning and Development• Labor Supply and Workforce Productivity• Workforce Training and Productivity Assistance• Manufacturing Expertise• Research Institutions and Technology Transfer• Broadband Investment• Farmland and Forest• Tourism• Entrepreneurial Opportunity	<ul style="list-style-type: none">• High Unemployment• Low-Skilled Labor Force• Low Per Capita Income Levels• Outmigration and Population Decline• Increasing Dependent Population• Public Assistance Burden• Limited Services Infrastructure• Inadequate Access to Global Marketplaces• High Municipal and Business Operating Costs• Lack of Financial Resources• Declining Manufacturing Sector• Insufficient Technological Advancement• Quality of Life Concerns

The CEDS recognizes that value-added, net-export economic activity is essential to the region's long-term economic health. Under the constraints of the abovementioned strengths and weaknesses, Southern Tier West has analyzed industry clusters in the region and has defined specific sectors with high economic growth potential. These are generally areas in which the region enjoys comparative advantages and which help develop the value-added, net-regional-export segment of its economy. The region should actively promote growth in these economic clusters because of their high economic returns for the region - in terms of employment and tax base.

The following are the region's target **economic clusters** for this CEDS:

- ✚ ceramics, glass, and advanced materials
- ✚ secondary forest products manufacturing
- ✚ agribusiness (including secondary food processing)
- ✚ metal fabricating and automotive parts manufacturing
- ✚ technology-based, including telecommunication-based industry
- ✚ plastics products manufacturing
- ✚ technical support services (back office computer service)
- ✚ trucking and distribution
- ✚ tourism

Regional Strengths

The Southern Tier West region is fortunate to have a number of socioeconomic strengths that provide opportunities for economic development. To achieve the region's full economic potential, the following qualities should be capitalized upon in regional economic development plans and strategies.

Metropolitan Market Proximity

The Southern Tier West region is in close proximity such metropolitan markets as Pittsburgh, Cleveland, Buffalo, Rochester, Toronto, New York, Boston, and Philadelphia. While the region's market is unable to support a self-contained, value-added economy, its urban market proximity along with its relatively low-cost operating environment makes it an efficient place for business development. Initiatives to establish a stable and effective multimodal transportation system will make nearby metropolitan markets even more accessible to regional businesses.

Transportation System Planning and Development

The Southern Tier West region is committed to developing an efficient core of highway and railroad infrastructure. Recently, Southern Tier West contracted with NYS DOT to create a rural strategic transportation planning project that emphasizes corridor development, enhanced freight transportation, and easy transit in the region. This project represents a strong, collaborative approach to transportation development that integrates an economic development perspective in regional transportation system planning.

Consistent development and improvement of the region's transportation infrastructure is a major resource for economic development. Recent transportation projects and activities with substantial human and economic advantages for the region include:

- Improvement and development of interstate highway I-86 as a revitalized regional economic development corridor
- A multi-year project to complete US Route 219 as a four-lane limited-access highway and as a multi-state economic development corridor
- Several local corridor programs (e.g., NY Route 417 planning program) undertaken in response to strategic growth and travel volume issues
- Six-phase preservation and revitalization project of the east-west mainline railroad (Southern Tier Extension), scheduled to be completed by the end of 2009
- Preservation and revitalization project of the Buffalo, NY to Driftwood, PA north-south railroad line
- Proposed development of an multimodal freight transfer facility – including development of industrial acreage, transload facilities, warehousing and distribution facilities, and a free trade sub-zone

The region's highway corridors (interstate highways I-86 and I-90, US Route 219, NYS Routes 60, 62, 16 and 19) as well as its railroad corridors (served by Norfolk Southern, CSX Railroad, Western New York and Pennsylvania Railroad, Buffalo and Pittsburgh Railroad, and New York and Lake Erie Railroad) represent prime locations for business activity. The aggressive initiatives to repair, upgrade, and revitalize the region's highway and railroad system represent a significant economic development strength of the region. These systems have excess capacity for freight shipping and are continually enhancing the connectivity of the regional economy.

Labor Supply and Productivity

With an unemployment rate consistently exceeding State and national rates, the Southern Tier West region supports a surplus of labor. The region's supply of unutilized and underutilized workers (those employed in jobs below what their skill and/or experience level justifies) is a resource for prospective and existing businesses. This abundant labor supply is enhanced by the strong work ethic and high productivity that has impressed companies and executives in the region. The region's current labor force is not being capitalized upon by the business community and with additional workforce training and education has the potential to be a

driving force for the regional economy. Moreover, a high level of outmigration due to low job availability indicates a number of persons likely to immigrate back into the region with increased job options.

Training Facilities and Productivity Assistance

The region benefits from a network of public and private training organizations (Workforce Investment Boards, Board of Cooperative Educational Services, colleges, etc.) that have years of experience in meeting private sector company training needs. The first State-funded productivity enhancement projects for the private sector were located in the Southern Tier West region, and years later the State continues those programs with the NYS Empire State Development Corporation and the NYS Office of Science, Technology and Academic Research. More locally, the Regional Technology Development Center for Western New York, Insyte Consulting, works directly with the private sector to increase company competitiveness and profitability, and the region has two Workforce Investment Boards that offer region-wide assistance in efficient One Stop Centers. These integrated agencies offer a wide variety of services that can be accessed by current and prospective regional employers alike. While the region's current workforce may lack many of the skills necessary to support the development of certain businesses, a strong education and training infrastructure makes the under-skilled portion of the labor force a resource for business development.

Manufacturing Expertise

As a longtime locus of manufacturing firms (especially heavy manufacturing, metal processing, automotive parts, power systems, food processing, and furniture), the expertise of the region's labor force and management pool is highly suited for manufacturing companies. According to NYS Empire State Development, New York State ranks 9th in the nation for worker productivity in the manufacturing sector – workers generating a value of more than \$6 for every dollar earned. The region's shift towards a services and trade-based economy has decreased manufacturing employment and produced unutilized and under-utilized laborers with manufacturing experience. The service and trade jobs increasingly available in the region (especially non-value-added and non-regional-export service jobs) offer lower wages and benefits than lost manufacturing jobs. This has resulted in outmigration and underutilization of regional workforce skills - a net social and economic loss to the region. Despite an economic shift that has made manufacturing skills less germane, the region's entrenched manufacturing expertise represents a strong economic development opportunity.

Research Institutions and Technology Transfer

Embracing changing technology is necessary for the creation of new products, the development of profit centers, and the continued productivity and cost-competitiveness of businesses. The Southern Tier West region is advantageously located in the center of a number of research institutions (in nearby Pittsburgh, Cleveland, Buffalo, Rochester, Ithaca, and in the village of Alfred in Allegany County) which afford the region's business community significant opportunity for technological advancement. Alfred University College of Ceramics is a regional example of such convenient research resources. This world-class center for ceramic technology research continues to graduate more PhD's in ceramics and advanced materials than any other institution. Its affiliate, Ceramic Corridor Innovation Centers, has achieved substantial success in incubating ceramics technology firms and expanding ceramic technology innovations into the greater business community.

This type of technology transfer can occur by businesses accessing technologies from research institutions, research institutions undertaking business community outreach, or technology-transfer-based entrepreneurial development. The Technology Transfer Incentive Program, operated by NYS Office of Science, Technology and Academic Research, helps businesses access and commercialize high-tech innovations in partnership with colleges and universities. The program provides award incentives to institutions of higher education to assist with new product development and commercialization. Technology transfer is an engine of business development that capitalizes upon the region's advantageous proximity to research centers.

Broadband Investment

In today's global marketplace, broadband infrastructure is essential, and businesses that do not embrace this technology will likely be at a competitive disadvantage in coming years. Southern Tier West's regional broadband system study has already sparked investment in broadband infrastructure. This project looks to establish broadband service in un-served areas, provide redundancy in broadband service, and ensure the cost and quality of service competition. The expansion of the region's broadband network allows for the

development of internet-related, location-neutral businesses (negating the region's commonly perceived locational disadvantage). Broadband investment affords an opportunity for regional businesses to utilize broadband connectivity when communicating with vendors and customers, moving data, conducting research, developing strategic partnerships, and performing any number of activities to bring value to their business. The active development of the region's broadband infrastructure is an important and progressive economic characteristic of the region.

Farmland and Forestry

The NYS Department of Agriculture and Cornell Cooperative Extension declare that agriculture in New York is both condensing and diversifying more and more each year. Agriculture continues to have developmental potential throughout New York State and is an important source of economic wealth in the Southern Tier West region. Agribusinesses, especially those using agricultural commodities grown within the State, are cited as sources of significant business development opportunity. Strategically, the region already supports a food processing cluster, however its agricultural resource base reflects ample opportunity for expansion.

The climate, soils, and topography of the region has also made the region a resource for world-class forest products in several choice hardwood species (maple, ash, red oak and black cherry). Presently, 1/3 of the region's annual net timber growth (over 1.6 million tons) is being removed through harvesting and there is significant potential for increased export use and domestic secondary processing. Retaining these logs in the region, and increasing the amount of secondary processing (e.g. furniture manufacturing, etc.) will provide substantial economic benefit to the region. The region's rich farmland and forest reflect two of its most prominent economic development strengths.

Tourism

The region's natural and manmade resources create tourist appeal with a great deal of economic development potential. As rural areas become increasingly attractive escapes from urban sprawl, tourism development in the region is an increasingly important aspect of the regional economy. The region's strong natural resource base and rural character has made tourism a burgeoning economic venture. Tourism can revitalize existing businesses and foster fresh business activity.

The region should incentivize the development of additional tourist destinations and year-round tourism for currently seasonal destinations. Integrating heritage and cultural tourism with non-heritage/cultural tourism may also help to maximize number and duration of visitor stays. This type of regional tourism development requires a more comprehensive scheduling and marketing approach. While there is modest coordination amongst the three counties, not all tourist destinations are being jointly marketed and therefore not achieving their full economic potential. The region's current tourism industry shows significant room for expansion, which is a direct economic development opportunity for the region. Moreover, a flourishing tourist industry supports other regional business, which is an indirect economic development benefit in the region.

Entrepreneurial Opportunity

The Southern Tier West region has a strong socioeconomic foundation for entrepreneurial development. Entrepreneurship establishes fundamental small business employment and keeps wealth within the region. The region's strong entrepreneurial potential is derived from its rural character, natural resource base, and local business support. The high cost and low probability of attracting businesses to a rural region makes entrepreneurship a highly encouraged and supported activity within the region. Many believe that the region's limited economic development resources are best allocated to local business growth activities. Regional programs like Southern Tier West's affiliate Southern Tier Enterprise Development Organization (STEDO) offer small businesses and entrepreneurs financial resources. Such local business sponsorship is prudent and highly encouraged within the region for a number of reasons:

- Promoting entrepreneurship stimulates job growth by increasing the population of small businesses.
- Non-locally owned industries and businesses dependent on non-local vendors drain wealth out of communities while entrepreneurship largely implies local ownership and regionally retained profits.
- Employment created by entrepreneurship provides cause for people to remain in the region, slowing regional outmigration and attendant economic and social costs.

- The growing pool of regional expatriates represents prospective entrepreneurs who could likely return to the region given independent business opportunities.
- Entrepreneurship is a source of innovation that creates a diverse and dynamic economy. With greater flexibility, small businesses often seize new technologies, markets, and ideas, which help keep the regional economy competitive.

The region's strong entrepreneurial potential is a continuation of its other regional strengths; however the region needs to be more successful in fostering this potential. Assisting these individuals with starting and growing their businesses will significantly improve the economic development prospective within the region. The region can effectively capitalize upon its other regional strengths by realizing and developing its entrepreneurial potential.

Regional Weaknesses

The Southern Tier West region has a number of regional weaknesses that deter economic development. To achieve its full economic potential, the region must recognize and reconcile these economic problems within regional economic development plans and strategies.

High Unemployment

Since 1980, the unemployment rate for the Southern Tier West region has exceeded State and national rates in all but three years (1993, 2002, and 2003). In 2008, the region had an unemployment rate that was .7% above the State average and .3% above the national average. While the region's high unemployment trend is economically detrimental in itself, the inflated proportion of young and highly skilled labor force members leaving the region for employment is especially damaging to the region's economic development potential.

Low-Skilled Labor Force

While the region's labor force has a solid work ethic and is considered a high-productivity workforce on an absolute scale, the overall relative productivity of the workforce is declining. Despite education and training programs, the regional workforce does not have the knowledge-based skill sets necessary to compete in today's global marketplace. To remain competitive, the region will need to seize technology-based opportunities for growth and invest in upgrading its labor force skills. The region must anticipate the skills needed by tomorrow's companies in order to create the requisite labor force that will attract such businesses.

With a historical reliance on smokestack industries (e.g., steel, furniture, automotive, etc.), the region's labor force is tailored to low-skill, industry-specific jobs. As the macro-economy continues to shift toward a high-skill, knowledge-based economy, businesses in the region are either adopting innovative technologies or in many cases moving to low-cost, high-skill operating environments - instituting technologies and growing a high-skill workforce in those locations. Consequently, the high-tech, high-skill labor force that can grow a technology business sector in the region has never developed. With few high-tech, high-skill jobs in technology-oriented companies, residents who go to school to develop such skills or who gain them in the workplace typically leave the region in search of employment. A low-skill labor pool results in high-tech firms avoiding the region at the same time that fewer high-tech firms prevent a high-skill labor pool from developing. This self-reinforcing cycle constrains business development.

The optimal situation is to develop a diverse portfolio of high-tech firms so that a wide spectrum of individuals across a number of skill sets can find employment. Unless the region's labor force develops its knowledge-based employment skills, it will be unable to compete in the global marketplace and continue to fall behind economic performance and development in other regions.

Low Per Capita Income Levels

As a percentage of New York State levels, price-adjusted per capita personal income in the region has markedly declined from 1980 to 2000 (71.69% to 59.70%). In 2003, the region's per capita income increased to 61.99% of New York State levels but in 2007 it was down to only 56.7%. The region's low relative per capita income has distressing quality of life and economic development costs. Businesses are provided unhappy employees and residents are afforded little capital to invest in the regional economy.

Declining Population and Increasing Outmigration

Between 1980 and 2000, the population of the Southern Tier West region *decreased* by approximately 4%, while New York State's population *increased* by approximately 8%. The region lost 10,732 people over that time and had a net migration rate of -9.77% (nearly a 29% higher rate of outmigration than the State as a whole). The distressing aspect of this trend is the inflated percentage of young, working-age persons leaving the region. Insufficient high-wage, high-skill jobs is causing white collar/professional workers and college graduates to seek employment outside the region while the loss of manufacturing jobs is simultaneously causing lower skilled workers to leave. This outmigration is largely attributed to Western New York's stagnant economy and is a significant economic weakness for the region. Without the labor force being rejuvenated, the regional economy is less likely to see innovation and fresh business activity.

Growing Dependent Population

The Southern Tier West region has found itself supporting an increased percentage of dependents - defining the dependent population as anyone 0-17 years and 65 years and older. The percentage of dependents in the total regional population has exceeded the percentage of dependents in the total New York State population. The region's growing reliant population is highly concentrated in the 65+ age cohort. The region's population is aging and doing so at a faster rate than the State as a whole. In 1980, the region's median age was below that of the State average; however in 2000 the region's median age surpassed State and national averages. Implications of this trend include a narrowing of the labor force, a growing public assistance burden, and a less attractive economic development environment.

High Public Assistance Burden

While the number of people receiving public assistance and/or income assistance in all of New York State has decreased over the last few decades, the Southern Tier West region has shared in this trend to a much lesser extent. Moreover, the amount of money spent on public income assistance in all of New York State increased only a fraction of the percentage increased in the Southern Tier West region.

Clearly, the three-county Southern Tier West region is experiencing a much greater public assistance/income assistance burden relative to western New York and the State as a whole. In addition to the obvious human social cost, the higher presence of underutilized and unutilized human resource assets in our region is indicative of a drag on the regional economy, and higher governmental operating costs that keep regional taxes higher than they could be.

Limited Infrastructure Services (*broadband, electricity/natural gas, water/wastewater*)

A limited amount of adequately serviced industrial sites constrain economic development in the region. Water/wastewater capacity and available services are often insufficient to support business development and/or are too costly to be attractive. The region must invest in its infrastructure capacity, specifically local water and wastewater systems, natural gas and electric services, and broadband telecommunications.

While in the region, some regional communities' local water/wastewater infrastructure conditions create health concerns. Others, including the most industrialized communities, require considerable investment in water services to accommodate even basic business investment and activity. In a few of the region's smaller communities, natural gas service is unavailable, and those communities with adequate service struggle to compete with the lower cost utility services offered outside the region. Broadband service is also not uniformly available in the region. Problems with aggregate service capacity and redundancy in most communities make the service inadequate for certain business development. A lack of alternate service providers also keeps competition low and broadband service costs high in the municipalities where it is available. The region needs to move further into investment in traditional and non-traditional infrastructure, such as broadband telecommunications capacity, in order to remain competitive with other regions and the global marketplace.

The region's limited number of adequately serviced areas is damaging to its economic development potential. Investments in infrastructure services will lead to new business development opportunities, as prospective entrants and entrepreneurs see that the region has the capacity to accommodate their investment and activity.

Inadequate Access to Global Marketplaces

As a region a fair distance from urban markets and international shipping ports, transportation infrastructure is depended upon to provide the connectivity necessary for competitive business activity. The region recognizes that a rural landscape such as ours requires effective and cost-competitive access to extra-regional markets and the global marketplace. The development of such a comprehensive transportation infrastructure system will be critical to seizing economic development opportunities. Currently, the region needs to improve and expand upon its highway, railroad, aviation, and public transit systems, as well as develop access infrastructure such as multimodal facilities and development corridors.

Developing a competitive regional economy requires fluid transportation and communication with markets outside of the region. The successful revival of the Southern Tier Extension Mainline is a critical step toward upgrading and enhancing the region's railroads. With further investment the region's railroad system can once again be an engine for economic development and global competitiveness. With regards to highway

infrastructure, the region's east-west interstate highway requires further development and the north-south interstate needs to be fully upgraded from its current two-lane, non-interstate status to a four-lane, limited-access highway. In terms of air transportation, the region boasts only one airport that provides limited passenger and commercial freight services – forcing businesses to commute to larger airports outside the region for passenger and general freight service. While the region needs greater access to global marketplaces, its system of state and local highways and bridges for intra-regional transportation also need improvement to accommodate the geographic spread of its population and business centers.

The comprehensive transportation strategy created by Southern Tier West is a critical first step for integrating economic development issues in regional transportation planning. While there are many ways to implement investment strategies so as to promote economic development, the plan outlines a regional approach with far-reaching benefits and opportunities. The region's transportation infrastructure does not currently provide sufficient access to global marketplaces and must be continually improved upon to ensure it enhances rather than constrains economic development and quality of life.

High Municipal and Business Operating Costs

Municipal and business operating costs for the region are partially reliant upon New York State's tax and regulatory environment. Rising healthcare costs, State pension fund costs, and other external expenses increase operating costs for municipalities already facing formidable economic hurdles. The additional revenue necessary to offset State costs and un-funded mandates force municipalities to enact higher tax burdens on businesses and individuals and/or cut back regional services - reducing capital available for regional investment and increasing regional business operating costs.

In addition to municipal taxes, New York businesses face higher operating costs because of corporate tax rates, personal income tax rates, and workman's compensation rates. Moreover, strict environmental regulation, high utility costs, and winter heating costs create additional external expenses associated with business development in New York State. In general, New York State is considered a high-cost state for doing business and a difficult market in which to operate.

New York State's labor force is sometimes considered unfriendly toward business and management, which makes other states – those with fewer labor laws and regulations – sometimes considered better locations for business operations. Although it is true that New York has extensive labor regulations and an empowered labor force, cost disadvantages are often offset by its high productivity and strong work ethic. While the negative perception of New York's labor climate is perhaps inflated, its persistence is a deterrent to regional business development. Along with relatively high municipal and business operating costs, the region struggles to attract innovative business activity.

Lack of Financial Resources

In the Southern Tier West region, as in many others, entrepreneurs struggle to accumulate adequate startup and early stage equity capital. Even with other things equal, the region's low per capita income leaves individuals with less unencumbered wealth available for use as risk capital. The capacity of the private sector to undertake economic development projects is therefore directly related to the health of personal and commercial credit markets. Access to private and public capital is essential to business development and especially to entrepreneurial development. The region continually has had inadequate private equity as well as a shortage of capital funding, specifically initial stage funding and micro-equity venture capital.

Potential entrepreneurs in the region are faced with a number of challenges, one of which is the availability of commercial debt financing. With few traditional or non-traditional sources of equity funding (traditional venture capital or non-traditional community venture capital sources), entrepreneurs are often unable to attain startup funding or are forced to start businesses with a highly leveraged (debt heavy) financial capital structure. For a long time, the region struggled with a decreasing number of local independent banks and an outmigration of funds deposited in local branches – making recourse to a debt financing strategy difficult. Recent years have seen commercial lenders expand into the region and certain savings banks increase commercial lending operations. While this has established a few more financial sources in the region, asset-based lending is still constrained by perceived higher default risks and weak collateral salvage markets, both a common feature of rural economies.

In many regions, real estate is a prime source of collateral because it maintains good resale value in strong real

estate markets. However the rural Southern Tier West region has a low post-liquidation collateral value of assets and commercial real estate does not necessarily enjoy a strong resale market. Despite commercial credit being relatively low priced when available, lenders are increasingly unwilling to provide loans willingly made in the past because of this low post-liquidation collateral asset value. Highly leveraged financial structures exact higher monthly debt obligations and a higher break even sales volume for the region's businesses. The end result is an elevated rate of failure and a reluctance to lend to prospective entrepreneurs with low success probability. Thus, inadequate equity and debt capital markets forestall entrepreneurial activity in a self-reinforcing cycle of constraint.

This creates a business development environment that does not entice investment within the region by venture capital firms. Testimony to this fact is the frequent use of SBA 7(a) loan guarantees and the waiting list for many local public sector revolving loan funds. The region has been aggressive in developing public sector loan funds to augment the efforts of the commercial lending community. Yet even with public sector loan guarantees, commercial banks are often unwilling to undertake risk loans. More resources for developing these public sector loan funds would be beneficial for the region. The capitalization of public sector or community equity capital funds – especially seed or first stage capital funds – would have a significant impact on entrepreneurial activity and the growth of small businesses in our region.

Within the region's public sector inadequate financial resources also constrain development. First, the State's participation in the traditional economic development finance arena has left certain gaps in terms of direct business loan incentive financing. Second, the State has fewer funds available for municipal economic projects and infrastructure projects with even less available for speculative projects. The region's public and private sectors suffer from gaps in debt and equity financial markets. This lack of financial resources is a continuous barrier to entrepreneurial and business development in the region.

Declining Manufacturing Sector

The decline of the region's manufacturing sector has greatly threatened the standard of living in the region. As a vital value-added sector, manufacturing incorporates regional resources into products sold to regional and non-regional markets. This process brings new wealth into the region and has been a traditional foundation for the region's standard of living. Despite being well-equipped for development in the manufacturing sector, the services and trade sector is becoming an increasingly central element of the region's economy, as in many other parts of the country. However, many of these service and trade jobs are part time or seasonal jobs with no benefits. This erodes salaries and contributes to the weak regional growth of per capita personal income the region is experiencing as compared to New York State.

With fewer manufacturing jobs available, the region is also supporting a smaller population. Less population leads to decreased internal commerce, which negatively impacts secondary and service businesses in the region. As the regional economy shifts away from the manufacturing sector, it will be prudent to focus on attracting high-paying, value-added, net-export services and trade employers to the region. However this is difficult as the loss of manufacturing jobs has depressed the regional economy. Cornerstone institutions such as hospitals, schools and other community institutions are threatened by the loss of manufacturing jobs and resultant decreases in population and standard of living. The declining manufacturing sector is a significant economic development weakness for the region.

Inadequate Technological Advancement

Like many rust belt regions, the Southern Tier West region struggles to remain competitive with offshore regions where standards of living are higher, operating costs are lower, and regulatory and business environments impose fewer constraints. This lack of global competitiveness can be partly attributed to the failure of certain significant portions of the region's manufacturing sector, as well as private and public sectors, to adopt technologies of the future. While some companies and governments are constrained by a lack of capital, others are constrained by an inability to understand the importance of technological advancement and/or an unwillingness to embrace change. Comfort with the status quo has created companies and governments in the region that operate with decades-old technologies. These institutions are less productive and are at an operational disadvantage to more recent market entrants created with newer technologies.

Quality of Life Concerns (*healthcare, environmental practices, housing stock*)

Several regional trends and characteristics indirectly threaten economic development through their impact on

overall quality of life in the region. The region's healthcare system, environmental and conservation practices, and housing stock all influence the region's overall economic appeal.

Adequate health care is a critical means of retaining and attracting employees and employers in the region. Health care is not only a quality of life issue; it is a business location and employee recruitment parameter. As the region's health care system experiences critical challenges, the region's economy also faces a lagged crisis. The ultimate result may be outmigration of businesses and employees.

In terms of the region's environment, enhanced conservation practices are critical to retaining the region's natural resource base and aesthetic value. Often it is thought that economic development and sound environmental and conservation practices are inherently at odds with one another but this is not always the case. Although such practices hinder maximum economic growth rates by raising business operating costs, such an approach minimizes long-term socioeconomic costs and is the optimal long-term course of action, despite its limiting impact on economic growth rates. The region needs to encourage these types of conservation practices to ensure its vital natural assets. Currently, improper practices threaten quality of life in the region and good environmental practices should be continually emphasized in the business community.

Much like healthcare, the regional housing stock and housing market is not only a concern for quality of life; it is also a business location and employee recruitment parameter. It is difficult to recruit executives and professionals to live in an area without significant high-end housing stock, or to invest in a housing market that is weak and that does not offer the potential of capital gains from asset ownership. The region's housing stock is in need of replenishment as a means of retaining and attracting employees and employers in the region.

Economic Development Opportunities

The cluster theory of economic development holds that regions should invest resources in business clusters that are regionally important and show opportunity for growth. Clusters are groupings of not only industries with similar processes but also key suppliers and other related industries from other industrial sectors that tend to locate in the same general proximity and gain certain advantages (shared workforce, knowledge transfer, etc) from doing so. For the rural Southern Tier West region, these target clusters should be those in which companies can maintain comparative advantages with competitors outside the region and which supply new money to the region.

With respect to the region's rural location, there is support for the concept that the region should focus economic development resources on those industry clusters in the surrounding regions that are experiencing growth, because of the potential for participating in their growth. However, a large portion of the region's economy that is tied to the economies of these surrounding regions is heavy and/or commodity-based manufacturing, as opposed to being the technology-based "economy of the future," which also appears to be growing in the surrounding metropolitan regions. The future requires that we look to value-added, net-export economic activity not only in the traditional manufacturing sector, but also in service businesses. In fact, it is in service businesses where perhaps much of the region's future economic growth in the global customer marketplace will lie, because of the inability to compete with lower cost offshore manufacturing operations.

The region needs to recognize that as offshore business activity grows, there will be increased demand for the productive resources that have traditionally been inputs into our regional business operations. These offshore companies, facing stronger final product market demand than do our regional businesses, and lower operating costs, will be positioned to offer resource vendors price premiums above those offered by regional businesses, bidding resources away from regional businesses. We can see this happening already. The region's timber harvest is exported as logs, before it can be utilized by our secondary forest products manufacturers. Steel and energy is being purchased offshore, raising our regional business operating costs. The solution is for our regional businesses to find the markets in which they can develop long-term comparative advantages, and move business activity into these sorts of businesses. The challenge for the public sector will be to facilitate these business development opportunities.

In essence, the region should emphasize economic diversification into those sectors of the economy with growth potential, especially knowledge-based and technology-based growth clusters, independent of the relationship of these sectors to the economies of surrounding regions. These sectors include certain manufacturing growth clusters and the high-paying, value-added, net-export services and trade clusters.

A higher impact economic development strategy is therefore to focus economic development resources on promoting knowledge and technology-based clusters, as opposed to the heavy and/or commodity-based manufacturing clusters. However, it may be difficult to seize opportunities in technology growth clusters without a strong technology base in our region, without a strong human resource base with requisite skill sets, and without a threshold level of technology activity extant in our region. Developing this technology base, including a technology business sector and a skilled labor force, should be a primary regional economic development strategy.

Southern Tier West has analyzed clusters in the region and has achieved consensus as to specific economic clusters that have the greatest economic potential for generating higher returns (in terms of employment and tax base) than other clusters or sectors:

The following are the region's target **economic clusters**:

- ceramics, glass, and advanced materials
- secondary forest products manufacturing
- agribusiness (including secondary food processing)
- metal fabricating and automotive parts manufacturing
- technology-based, including telecommunication-based industry
- plastics products manufacturing

- technical support services (back office computer service)
- trucking and distribution
- tourism

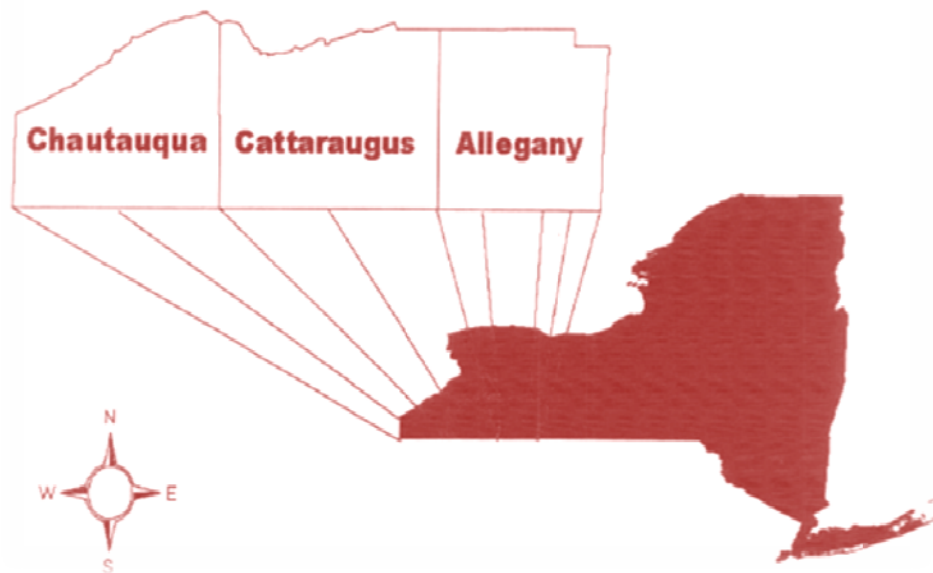
The region should focus economic development resources on activities that encourage investment in these target clusters in which the region can build competitive advantage. This strategy also is consistent with US DOC EDA's approach of promoting technology clusters in which the region can build and maintain competitive advantage.

Several strategic planning documents published by various units of government and economic development organizations also feature a focus on directing strategic investments toward clusters that have significant economic opportunity. As an example, the Friendship Empire Zone Strategic Plan notes that its "strategy targets building a competitive advantage in those industries/businesses in which the region either has or can develop unique resource advantages. These industries/businesses import wealth into the (target) communities."

Within these planning documents, there is some variation in specified target clusters with economic development opportunity, which is explainable by variances in analytical techniques, opportunity, economic assets, and industrial concentration across the region. The divergences may also be explained by newly developing opportunities, or small-scale opportunities that reflect existing or projected business operations in localities and are significant in relationship to a local economy. Nonetheless, there remain significant overlaps of common cluster opportunities.

Smaller scale economic development plans in the region should be consistent with the economic strengths, weaknesses, and industry growth analysis of this CEDS. The CEDS consistency with federal, state, and local economic planning document is illustrated by the list of recent planning documents in Appendix II.

Southern Tier West Regional - Comprehensive Economic Development Strategy



Regional Economic Development Strategy

This chapter provides a direction for the regional economy by outlining economic development goals, objectives, and strategies, a proposed course of action, and a method of project assessment. The goals, objectives, and strategies attend to the region’s economic problems and capitalize on regional resources. The plan of action reveals a path to achieving these goals and the performance measures gauge the success of economic development efforts over time. This economic development strategy should act as a guide to maximizing and stimulating economic investments in the region.

Goals, Objectives, and Strategies

Southern Tier West has identified eight regional economic development goals that any strategic project, program, or activity identified in the CEDS should work toward fulfilling. Each goal is an ultimate end that the region desires to achieve through successful implementation of the CEDS and reflects the common aim of making the Southern Tier West region economically successful. The objectives reinforce the goals by providing a more realistic and measurable approach, so as to track the region’s progress toward achieving each goal. The objectives are also links to successive strategies, or activities designed to achieve the desired objectives and turn potential into reality.

Goals	Objectives
1. Development of Targeted Industries	1.1 Advance economic and workforce development investment in the region’s nine targeted industry sector clusters
2. A Diverse Regional Economic Base	2.1 Encourage and enhance retention and expansion of existing businesses 2.2 Encourage and enhance expansion and growth of entrepreneurial and small business ventures 2.3 Encourage and enhance the development of value-added businesses with perceived durability and growth potential 2.4 Encourage and enhance the manufacturing capacity and output of the region 2.5 Encourage and enhance the agricultural and forest products capacity and output of the region 2.6 Encourage and enhance tourism-related business development
3. Improved Access to Financial Resources	3.1 Improve access to private sector venture capital and small business financing 3.2 Improve access to public sector venture capital and small business financing
4. Improved Infrastructure	4.1 Promote innovative transit programs and expansion of existing transit services 4.2 Develop and expand industrial sites, acreage, and parks 4.3 Maintain and improve existing regional infrastructure and services 4.4 Expand information technology infrastructure and telecommunications systems
5. Increased Business Productivity	5.1 Encourage best business practices and productivity assistance to capitalize on existing businesses and attract development
6. Educational Excellence and a Skilled Workforce	6.1 Encourage improvements to primary, secondary, and post-secondary educational institutions 6.2 Widen the range of educational services for diverse demands 6.3 Actively attract and retain young professionals to work in the region
7. Maintained and Improved Quality of Life	7.1 Enhance, utilize, and improve the region’s natural resources in an environmentally sensitive manner 7.2 Maintain and improve regional infrastructure and services to improve area quality of life
8. Regional Coordination and Cooperative Partnering Efforts	8.1 Promote dialogue between the economic development community, federal, state, local government officials, the business community, and concerned citizens 8.2 Develop localized and regional economic planning and development studies and implement recommendations 8.3 Centralize and coordinate regional economic development activities

Goal 1: Development of Targeted Industries

Promote development in the region's nine targeted industries

- ❖ **Objective:** Advance economic and workforce development investments in the region's nine targeted industry sector clusters:
 - Ceramics, glass, and advanced materials
 - Secondary forest products manufacturing
 - Agribusiness (including secondary food processing)
 - Metal fabricating and automotive parts manufacturing
 - Technology-based, including telecommunication-based, industry
 - Technical support services and value-added export services
 - Plastics products manufacturing
 - Trucking and distribution
 - Tourism

Goal 2: A Diverse Regional Economic Base

Promote economic vitality through an increasingly diverse base of businesses including entrepreneurial startups and large employers

- ❖ **Objective:** Encourage and enhance the retention and expansion of existing businesses
 - **Strategies:**
 - Implement a business visitation program
 - Bolster technical and financial assistance
 - Increase investment in publicly owned capital and non-capital assets and services for businesses
 - Pursue business and customer attraction activities (e.g., marketing, financial and technical assistance incentives, public services and investment, etc.)
 - Enhance linkages between businesses and educational institutions (e.g., technology transfer, internship placement, technical consulting, etc.)
 - Promote increased regional export levels
 - Encourage non-traditional forms of ownership for manufacturing, value-added, and export sector firms (e.g., public, quasi-public, or private non-profit ownership) for later private sector ownership (public sector start-up/spin-off program)
 - Maintain and restore local ownership in manufacturing, value-added and export sector
 - Encourage employee takeover of failing or existing businesses (e.g. an ESOP) and assist employee-owned businesses
- ❖ **Objective:** Encourage and enhance establishment and growth of entrepreneurial and small business ventures
 - **Strategies:**
 - Encourage the establishment of “knowledge economy” businesses
 - Encourage the establishment of small business incubators
 - Bolster availability of financial and technical support services and educational opportunities for emerging entrepreneurs
 - Increase investment in publicly owned capital and non-capital assets and services that induce business start-up
 - Encourage entrepreneurial development by college graduates, cluster employees, and dislocated target cluster employees
 - Pursue attraction activities that encourage value-added and export sector firms located outside the region to locate operation within the region (e.g., marketing, technical and financial assistance incentives, public services and investment, etc.)
 - Implement a public sector start-up/spin-off program

- ❖ **Objective:** Encourage and enhance the development of value-added businesses with perceived durability and growth potential, including but not limited to:
 - Businesses with local monopolies
 - Businesses with proprietary technologies
 - Knowledge-based businesses
 - Niche businesses
 - Businesses with little offshore competition due to high transportation costs
 - Service businesses

- ❖ **Objective:** Encourage and enhance the manufacturing capacity and output of the region
 - **Strategies:**
 - Develop business parks where needed
 - Expand investment in transportation infrastructure, especially construction of a multi-modal transfer facility

- ❖ **Objective:** Encourage and enhance the agricultural and forest products capacity and output of the region
 - **Strategies:**
 - Encourage increased export and domestic secondary processing of world-class timber resource
 - Support agricultural ventures, especially agribusinesses and the region's food processing cluster

- ❖ **Objective:** Encourage and enhance tourism-related business development
 - **Strategies:**
 - Invest in eco-tourism opportunities
 - Invest in region's ski resort facilities
 - Expand regional tourism marketing facilities
 - Enhance and encourage regional arts and cultural facilities
 - Encourage utilization of region's natural and man-made recreational opportunities in an environmentally sensitive manner

Goal 3: Improved Access to Financial Resources

Improve private sector access to private and public sector financial resources

- ❖ **Objective:** Improve access to private sector venture capital and small business financing
 - **Strategies:**
 - Encourage aggressive, development-oriented, non-traditional private sector lending practices to specific target clusters
 - Facilitate access to private sector banking loans through loan guarantees and technical assistance to applying businesses

- ❖ **Objective:** Improve access to public sector venture capital and small business financing
 - **Strategies:**
 - Streamline access to existing public revolving loan funds
 - Recapitalize existing public financing programs (including local revolving loan funds)
 - Capitalize new public financing programs (including local revolving loan funds) to fill gaps in local credit markets
 - Develop non-traditional public business financing sources (e.g., equity/venture capital fund, etc.)
 - Increase utilization of state economic development zones

Goal 4: Improved Infrastructure

Improve and/or upgrade the condition of all infrastructure services in the region to facilitate growth of higher-wage industry clusters and ensure national and global connectivity

- ❖ **Objective:** Promote innovative transportation programs and expansion of existing transportation services
 - **Strategies:**
 - Invest in the region's short line and mainline railroad system, including phased construction of multi-modal freight transfer facility
 - Invest in highway trade corridors, including continued construction of US-219 as primary north-south limited-access highway corridor and construction of Millennium Parkway connecting northern Chautauqua County industrial corridor with I-90
 - Improve and extend industrial access roads
 - Improve and invest in the region's aviation system
 - Improve and extend the region's public transportation system
 - Expand technical and financial assistance for transportation infrastructure projects

- ❖ **Objective:** Develop and expand industrial sites, acreage, and parks
 - **Strategies:**
 - Develop speculative industrial buildings, multi-tenant facilities, and incubator facilities
 - Phased construction of Crossroads business park
 - Retrofit older buildings into modern productive facilities
 - Pursue appropriate brownfield remediation and redevelopment projects
 - Promote marketing of industrial buildings and sites
 - Expand technical and financial assistance for industrial development projects

- ❖ **Objective:** Develop and improve municipal and private utilities infrastructure
 - **Strategies:**
 - Improve and enhance the region's water and wastewater systems
 - Encourage alternative energy utilities and creation of a regional energy buying alliance

- ❖ **Objective:** Maintain and improve existing regional infrastructure and services
 - **Strategies:**
 - Identification and GIS-based inventorying of existing and planned infrastructure

- ❖ **Objective:** Expand information technology infrastructure and telecommunications systems
 - **Strategies:**
 - Extend broadband infrastructure throughout the entire region
 - Promote the utilization of information technology and telecommunications systems

Goal 5: Increased Business Productivity and Competitiveness

Increase regional business productivity by improving technical assistance to the private sector and targeting activities with comparative advantage

- ❖ **Objective:** Encourage best business practices and productivity assistance to capitalize on existing businesses and attract development
 - **Strategies:**
 - Increase public sector capacity to provide business and management counseling and crisis assistance
 - Support enhanced technology transfer activities and incentives

- Encourage replacement/upgrading of obsolete and inefficient physical plants, machinery, and equipment
- Promote introduction of new technologies including computerization, robotics, telecommunications, etc.
- Promote utilization of productivity enhancement consulting programs (e.g., Insyte program and Industrial Effectiveness Program) and implementation of recommendations
- Promote increased utilization of by-products, resulting in cash flow generating economic activity and also reduction of waste produced, waste handling , and waste disposal costs
- Promote reduction of workplace substance abuse
- Facilitate shared supplier networks, procurement, and export

Goal 6: Educational Excellence and Skilled Workforce

Create and foster a skilled workforce ready to meet the challenges of today's economy

- ❖ **Objective:** Encourage improvements to primary, secondary, and post-secondary educational institutions
 - **Strategies:**
 - Improve math, science, and English competency so as to foster workforce creativity and reasoning skills
 - Invest in colleges and universities in the region, especially public sector institutions
 - Promote cooperation between local educational institutions
- ❖ **Objective:** Widen the range of educational services for diverse demands
 - **Strategies:**
 - Invest in skills upgrading, basic training, and literacy programs
 - Encourage employer-specific and cluster-specific job training and educational needs
 - Improve entrepreneurial education and technological literacy
- ❖ **Objective:** Actively attract and retain young professionals to work in the region
 - **Strategies:**
 - Encourage high-wage, high-skill businesses to develop in the region
 - Invest in high-end housing
 - Improve quality of life and basic regional appeal

Goal 7: Maintained and Improved Quality of Life

Provide, preserve, and enhance those factors that make the region attractive for residential, commercial, and industrial development

- ❖ **Objective:** Enhance and utilize the region's natural resources in an environmentally sensitive manner
 - **Strategies:**
 - Preserve natural quality while promoting the region as a destination for outdoor activities.
 - Maintain and improve recreational and tourist opportunities
 - Encourage and enhance renewable energy exploration and production
- ❖ **Objective:** Maintain and improve regional infrastructure and services to improve area quality of life
 - **Strategies:**
 - Invest in housing stock improvement
 - Invest in local educational system
 - Invest in local health services
 - Invest in regional arts and entertainment
 - Develop and improve civic institutions and facilities

Goal 8: Regional Coordination and Cooperative Partnering Efforts

Strengthen and enhance partnerships with local units of government and economic development-minded agencies throughout the region and state so as to expand the benefits of regional development activities

- ❖ **Objective:** Promote dialogue between the economic development community, federal, state, local government officials, the business community, and concerned citizens

- ❖ **Objective:** Develop localized and regional economic planning and development studies and implement recommendations, including but not limited to:
 - Sector-specific or local-opportunity-specific studies
 - Advance planning for communities vulnerable to import-competition and plant closures
 - Strategic focus on local diversification efforts
 - Entrepreneurial support for new business formation
 - Information technologies and e-commerce
 - Energy efficiency and alternative energy sources

- ❖ **Objective:** Centralize and coordinate regional economic development activities
 - **Strategies:**
 - Implement regional marketing activities
 - Coordinate development, renovation, and marketing of small business incubators
 - Coordinate educational, cultural, tourism, and recreational activities and sponsorships
 - Develop a standardized electronic prospect management system and integrated site/building database, including protocols and lead agency system for prospect management
 - Promote environmentally sound utilization of natural resources and compliance with environmental regulations so as to prevent regional environmental degradation
 - Streamline the regulatory processes and establish consistent information and/or contact information available at city and county offices

Projects, Programs, and Activities

The 2009 annual project package included in this CEDS includes a set of initiatives selected by The Southern Tier West Regional Planning and Development Board and recommended by the Board’s regional partners and local governments. It is a compilation of current and proposed economic development projects and programs across the region that work to advance the CEDS goals, objectives, and strategies.

Acronyms:

ARC	Appalachian Regional Commission
DOE	United States Department of Energy
EDA	United States Department of Commerce Economic Development Administration
NYS	New York State
NYS DOT	New York State Department of Transportation
NYS EFC	New York State Environmental Facilities Corporation
SNI	Seneca Nation of Indians
USDA RD	United States Department of Agriculture Rural Development
WNYP	Western New York & Pennsylvania Railroad

EDA County Project Priorities List

In the Annual Report submitted by Southern Tier West to the EDA, each county is asked to submit 2 projects or programs recognized as priorities for EDA funding. The following list is the most current submission of those county project priorities.

Project Name	Project Sponsor
<ul style="list-style-type: none"> • Wellsville Route 417 East Water & Wastewater System 	Allegany County
<ul style="list-style-type: none"> • Crossroads Business Park Infrastructure 	Allegany County
<ul style="list-style-type: none"> • Salamanca (City) Water System Storage 	Cattaraugus County
<ul style="list-style-type: none"> • Olean Airport Business Park Infrastructure, Phase 1 	Cattaraugus County
<ul style="list-style-type: none"> • Millennium Parkway (Chadwick Bay Industrial Park Access Road) 	Chautauqua County
<ul style="list-style-type: none"> • North County Industrial Corridor Improvements 	Chautauqua County

Vital Project List

With a broad list of selected and recommended development projects, it is necessary for the Board to focus in on a set of ‘vital’ projects. The following are the top projects, programs and activities that Southern Tier West suggests to be regional priorities so as to advance the CEDS goals and objectives previously laid out. These vital projects are recognized as addressing the region’s greatest needs and/or best enhancing regional economic competitiveness. The list combines overarching “themes” for economic development success in the region with specific projects, programs, and activities deemed the most efficient and effective means of achieving such success in the region today. This list identifies project sponsors as well as past and potential investments not limited to EDA funding sources.

Project Name	Project Sponsor	Funding Sources	Projected Job Creation
<ul style="list-style-type: none"> Route 219 Section 5 Construction 	New York State Department of Transportation	NYS DOT	100
<ul style="list-style-type: none"> Southern Tier Extension Rehabilitation 	Southern Tier Extension Railroad Authority	NYS DOT WNYP	46
<ul style="list-style-type: none"> Broadband Fiber Implementation 	Southern Tier West Regional Planning and Development Board	EDA NYS Private	0 (jobs to be induced subsequently)
<ul style="list-style-type: none"> Broadband Inventory Study 	Southern Tier West Regional Planning and Development Board	EDA NYS Local public and private	0 (jobs to be induced subsequently)
<ul style="list-style-type: none"> Wireless Broadband Implementation 	Southern Tier West Regional Planning and Development Board	NYS Office of Technology	10
<ul style="list-style-type: none"> Multimodal Freight Transfer Facility & Business Park Construction, Phase 1 	Southern Tier West Regional Planning and Development Board	NYS DOT WNYP	50
<ul style="list-style-type: none"> Buffalo Line Rail Corridor Site Identification and Development, Phase 1 	Southern Tier West Regional Planning and Development Board	NYS DOT ARC Cattaraugus County	0 (jobs to be induced subsequently)
<ul style="list-style-type: none"> Wastewater Collection and Treatment System Improvements 	Village of Cuba	USDA RD	0
<ul style="list-style-type: none"> Water District No. 7 	Town of Portland	ARC USDA RD NYS EFC	0 1 retained
<ul style="list-style-type: none"> Brocton Water Pollution Control Plant 	Village of Brocton	ARC USDA RD	0 720 retained

<ul style="list-style-type: none"> Water System Improvements 	Village of Delevan	ARC USDA RD Small Cities	0 557+ retained
<ul style="list-style-type: none"> Tribal Energy Utility 	Seneca Nation of Indians	SNI DOE	0 (jobs to be induced subsequently)
<ul style="list-style-type: none"> Energy Production Business Development 	Seneca Nation of Indians	SNI DOE BIA Private and Bond	10
<ul style="list-style-type: none"> Tribal Tourism Development 	Seneca Nation of Indians	SNI	4
<ul style="list-style-type: none"> Expanded Museum and Cultural Center 	Seneca Nation of Indians	SNI	30
<ul style="list-style-type: none"> Joint Venture Enterprise Development 	Seneca Nation of Indians	SNI	50
<ul style="list-style-type: none"> Seneca Allegany Resort and Casino Expansion 	Seneca Nation of Indians	SNI	200

Suggested Project List

The following list of projects, programs, and activities differs from the Vital Project List in that they are suggestions by Southern Tier West Regional Planning and Development Board. These projects also aim to accomplish the CEDS goals and objectives but encompass a broader range of development activities than the vital project list.

Project Name	Project Sponsor	Projected Job Creation
<ul style="list-style-type: none"> Route 219 Sections 6-12 Construction 	New York State Department of Transportation	100
<ul style="list-style-type: none"> Wind Energy Study (2 projects) 	Seneca Nation of Indians	0 (jobs to be induced subsequently)
<ul style="list-style-type: none"> Salamanca Rail Yard Brownfield Remediation and Redevelopment 	Seneca Nation of Indians	0 (reliant on selected reuse strategy)
<ul style="list-style-type: none"> Sports Complex (2 projects) 	Seneca Nation of Indians	10
<ul style="list-style-type: none"> Allegany Territory Wastewater Treatment Plant 	Seneca Nation of Indians	10 (jobs to be induced subsequently)
<ul style="list-style-type: none"> Cattaraugus Territory Water Well 	Seneca Nation of Indians	0 (jobs to be induced subsequently)
<ul style="list-style-type: none"> Tribal Transit Assessment Study 	Seneca Nation of Indians	0 (jobs to be induced subsequently)
<ul style="list-style-type: none"> Seneca Arts Virtual Incubator 	Seneca Nation of Indians	10 jobs created or retained

Plan of Action

The primary focus of the CEDS is job creation and retention over a five-year period through the planning and implementation process. It seeks to create a unified approach to serving regional business and re-focus long-term economic development strategies in light of changing economic conditions. The goals and objectives of this CEDS, as well as the preceding list of vital and suggested projects for 2009, create the region's plan of action for immediate and long-term economic development activity. There are many issues and needs to address over the next 5-10 years and longer. In fact, there will be other priority needs that arise as the region makes progress on this strategy. The best plan can only provide a framework and one that will require continual adjustment as resources become available. This Economic Development Strategy's plan of action is therefore a fluid outline created to provide the necessary flexibility to meet changing needs of the region.

In the unique position of supporting and complimenting local, state, and federal economic development efforts, Southern Tier West has and will continue to participate in the following regional activities, which comprise the plan of action for this CEDS.

1. Undertake and encourage transportation-based economic development strategies:

- regional transportation system planning and priority project implementation
- rehabilitation of mainline and short line railroads and enhanced freight activity
- improvements and upgrades to state and local highways and bridges
- further build-out of region's public transportation system
- improvements and upgrades to region's aviation system

2. Undertake and encourage telecommunications-based economic development strategies:

- regional telecommunications system planning and priority project implementation
- increased utilization of regional telecommunications system
- development of broadband infrastructure

3. Undertake and encourage industrial and business development strategies:

- regional business development planning and priority project implementation
- development of municipal infrastructure, industrial sites, and business incubators
- increased entrepreneurship and entrepreneurial incentive programs

4. Undertake and encourage technical and financial assistance strategies:

- business outreach and mentoring activities
- innovative funding vehicles and recapitalization of loan funds for small businesses
- increased networking and referral between technical assistance providers

5. Undertake and encourage technology transfer and productivity-based economic development strategies:

- increased utilization of technology transfer programs between regional businesses and research institutions
- improved access to non-local research institutions' technology transfer programs
- increased utilization and availability of regional productivity enhancement programs

6. Undertake and encourage workforce training and education-based economic development strategies:

- support for regional Workforce Investment Boards and educational institutions
- increased availability and utilization of training programs and entrepreneurial education

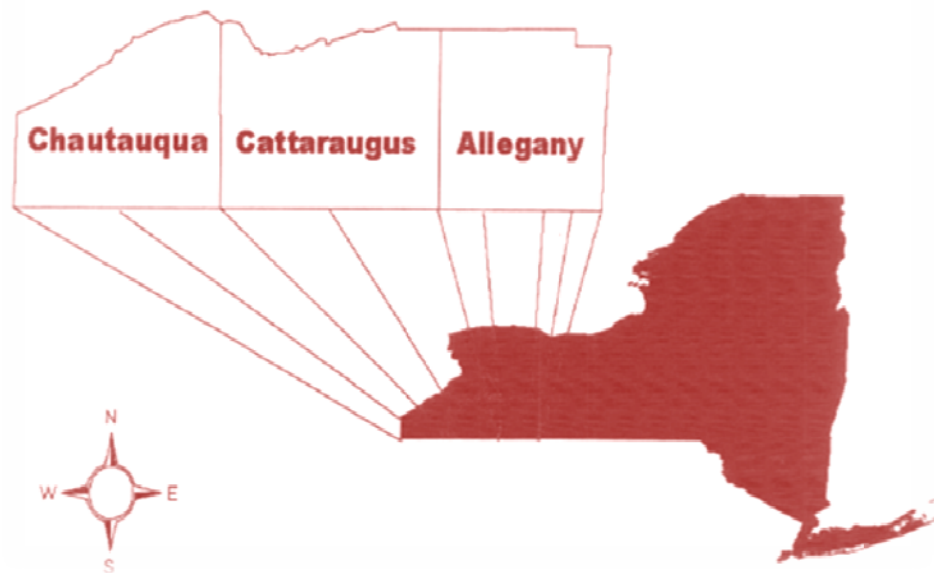
7. Undertake and encourage marketing-based economic development strategies:

- improvements to internal and external marketing for enhanced regional image and business attraction

8. Undertake and encourage environmental and conservation-based economic development strategies:

- remediation and redevelopment of regional brownfield sites
- improvements in green energy and environmental conservation by businesses and entrepreneurs

Southern Tier West Regional - Comprehensive Economic Development Strategy



Performance and Progress

Performance Measures

What They Are

The CEDS is a living document, updated and monitored on an ongoing basis by the Southern Tier West Regional Planning and Development Board. As such, the CEDS requires performance measures with which it can evaluate the effectiveness of the CEDS in guiding economic development activities in the region. These measures help ensure that regional activities coincide with the overarching principles of the CEDS as laid out in its most recent adoption and under compliance with EDA requirements.

Performance metrics evaluate the economic success of regional projects as well as the quality of the region's CEDS – as results should directly reflect long-term economic development goals herein. Performance metrics are tracked for each project post-implementation and included in Southern Tier West's Annual Report submitted to the EDA. Additional qualitative and quantitative measures may be used to evaluate economic development efforts, however the CEDS performance measures provide the basic framework with which Southern Tier West evaluates its and the region's successful development and implementation of the CEDS.

Southern Tier West's Annual Report analyzes prioritized regional projects individually – their progress, specific project products, and accomplishments versus objectives. As well as the project measures listed below, the document provides a comprehensive discussion on project meetings, current and anticipated funding, utilization rates, broad economic impacts, and other relevant project activity.

The performance measures currently used to evaluate CEDS projects are as follows:

- Number of and types of projects implemented in the region
- Number and types of other investments undertaken in the region
- Number of jobs created by project beneficiaries
- Number of jobs retained by project beneficiaries
- Amount of private sector investment by project beneficiaries
- Changes in the regional economic environment
- Initiatives undertaken to promote economic development within the region

The results of these project performance metrics along with updated regional economic data are used for new insight into changing priorities, new project suggestions, and/or revising CEDS goals and objectives should changing economic conditions necessitate. Despite failures of the region's economic development community to fully address the region's long-term economic distress over the past three to four decades, the region's economy would likely be much more distressed if there were no economic development strategy in place and if performance measures did not shed light on effective and ineffective development efforts over the years. The performance measures guide the CEDS by showing where progress has been made, where it has not, and where it can effectively be made in the future.

What They Teach Us

Some of the “lessons learned” from project evaluation in the strategic planning and development process are as follows:

- Readiness for economic development is essential. The region must prepare for the economic development opportunities and jobs of tomorrow. With limited economic resources, this requires judicious speculative investment in preparation of business development.
- To support an economic development strategy the region must establish multi-year, county-level capital investment plans. This helps create capital reserve funds and allows annual budgetary commitments of resources for economic development initiatives, especially those consisting of phased approaches.
- Economic development efforts must be attentive to all regional resources - human, technology, productivity, market and financial. This often demands flexibility and sometimes multi-agency approaches to initiatives.

- The region needs superior technology infrastructure to support its new economic climate where manufacturing is no longer a thriving value-added activity for the region and information technology is a requisite for value-added, knowledge-based industry development.
- Vast human and economic capital invested in the region's manufacturing base demands improved communication between its manufacturing base and economic developers. The region must encourage a progressive attitude in the manufacturing community along with an innovative approach to this sunken capital in economic development efforts.
- Alternative financial tools are necessary to make the region competitive. Economic development requires innovation and investment in the region's financial packaging and tools.

These "lessons learned" are products of past project performance evaluations as well as regional economic trends. They have helped to form the CEDS current performance measures and illustrate the rolling basis on which the CEDS efficacy is measured. While it is too early to measure many of the projects appearing in more recent editions of the CEDS, several observations can be made about past and present CEDS project lists.

- Early inclusion on the CEDS project list increases the likelihood of a project's funding and implementation. However, variable lengths of project planning phases and funding sources are significant influencers on project timelines and the ability of projects to meet completion targets.
- Infrastructure projects have longer implementation timeframes than do non-infrastructure and non-construction projects as measured from their appearance in the CEDS. The overall process (planning, funding, engineering, environmental review, bidding, and construction, etc.) is often more burdensome than that involved with non-construction projects – occasionally leading certain of these projects to evolve into significantly different projects over a period of several years.
- Economic development projects often have a more certain path to implementation than do other sorts of projects, owing to beneficiary company timeframes and often-stronger funding availability. Further, once these economic development projects are completed, they normally meet their job and investment targets.
- While water and wastewater projects of many small municipalities may be high priorities for implementation, owing to health and public safety concerns, these projects often languish in the planning phase owing to inexperienced municipal project sponsorship, changeovers in local administrations (affecting continuity), insufficient local match funding, and inability to obtain funding packages that are perceived as affordable by the municipalities. This is less true, however, if the project can be primarily categorized as an economic development project, for the reasons noted above.
- Southern Tier West has generally seen CEDS projects meet job and investment targets upon completion.

Conclusion

What's Next?

The CEDS has effectively detailed the economic development strategy for the Southern Tier West region of Allegany, Cattaraugus, and Chautauqua Counties in the coming year. The regional economic profile has shown long and short-term economic trends that identify the region's economic strengths and weaknesses and lay the foundation for the regional economic development strategy.

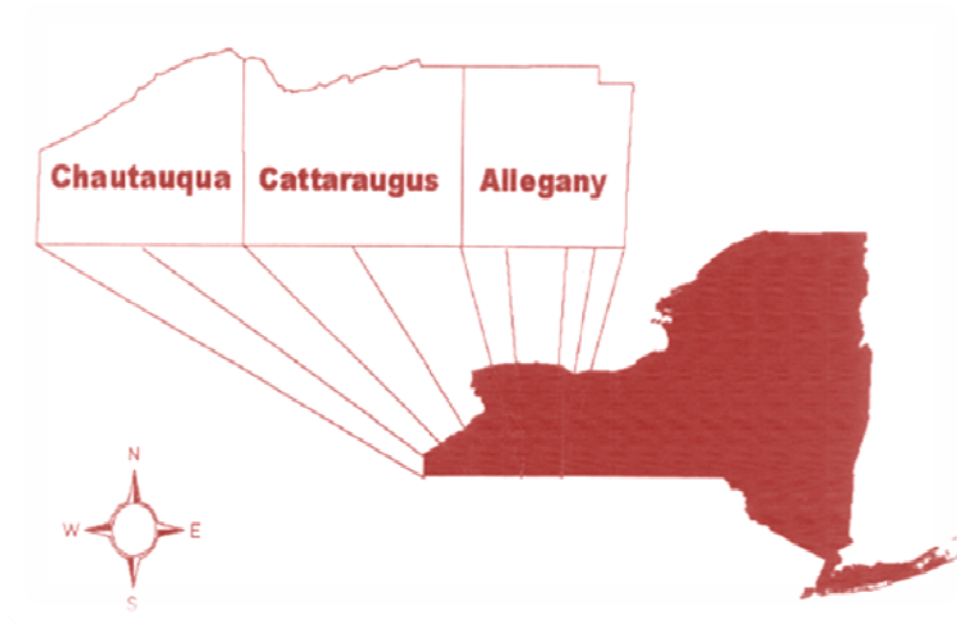
The CEDS demonstrates how Southern Tier West reaches out to the region to make this strategy inclusive and seeks to coordinate its efforts with economic development strategies from national, state, and local plans. As an integrated plan developed as a result of a continuing economic development planning process, it provides the flexibility to adapt to global economic conditions and fully utilizes the region's unique advantages to maximize economic opportunity for its residents. An objective of the document is to improve quality of life in the region by attracting the private investment that creates jobs for the region's residents while also serving as a benchmark by which the regional economy can evaluate opportunities with other regions in the national economy.

Southern Tier West Regional Planning and Development Board is proud to act as a dynamic advocate for economic development in the region through the CEDS progress. As an inclusive document, the CEDS planning committee encourages input from the public and private sector. Questions, comments, or concerns with the information and development strategy contained herein are encouraged to be directed to Southern Tier West Regional Planning and Development Board.

The CEDS process is designed to lead to specific impacts on a region's economy. By identifying projects necessary to increase competitiveness and by contributing to the implementation of said projects, a CEDS leads to impacts in job creation, private investment, and overall economic transformation. This CEDS integrates the region's human and physical capital planning in the service of economic development, and effectiveness in meeting its goals will be evaluated and adjustments will be made to the document as required to meet its performance goals and/or the economic development needs of the region.

After adoption, the CEDS will remain a working document that is sensitive to economic sways. Economic development efforts in the region should reflect the CEDS up-to-date goals and objectives and should use the CEDS as a guideline for implementing projects and initiatives. The next step is to fully utilize the comprehensive nature of this document to make wise economic development choices for the region.

Southern Tier West Regional - Comprehensive Economic Development Strategy



Appendices

APPENDIX I

Descriptions of Post-Secondary Educational Institutions, Southern Tier West Region

Community Colleges and Business Institutes

Jamestown Community College (JCC)

JCC is a Community College with campuses in the cities of Jamestown and Dunkirk in Chautauqua County, in the city of Olean in Cattaraugus County and in nearby Warren, Pennsylvania. JCC is part of the State University System, offering a high quality educational experience at a competitive price. JCC offers typical Associates Degree programs including nursing, business, computer science, and criminal justice. (<http://www.sunyjcc.edu/>)

Olean Business Institute (OBI)

OBI has one campus located in the city of Olean in Cattaraugus County and offers Associates Degree programs in business disciplines. (<http://obi.cjb.net/>)

Jamestown Business College (JBC)

JBC has one campus located in the city of Jamestown in Chautauqua County and offers Associates Degree programs in business disciplines and related fields. (<http://www.jbcny.org/>)

Colleges and Universities

Alfred University (AU)

AU has one campus located in the Village of Alfred in Allegany County. It was founded in 1836 and offers undergraduate and graduate degree programs through three privately endowed colleges and one publicly funded college (*see SUNY School of Ceramics, below*). Alfred offers Doctorate Degree Programs in Psychology, Ceramic Engineering, and Glass Science - the latter two programs administered through its SUNY School of Ceramics. (<http://www.alfred.edu/>)

State University of New York at Alfred, College of Technology (SUNY Alfred)

SUNY Alfred has campuses in the villages of Alfred and Wellsville in Allegany County and offers a range of two and four-year degree programs, including CNC Machinist, Culinary Arts, Agriculture, and Engineering/Drafting. (<http://www.alfredtech.edu/>)

NYS College of Ceramics (at Alfred University)

SUNY School of Ceramics is a public school that is part of Alfred University, which offers general studies courses necessary for graduation. It is a fully accredited ceramic engineering and technologies college. The School of Ceramic Engineering and Materials Science, a division of the SUNY School of Ceramics, is ranked number one in the nation for ceramics undergraduate and graduate degree programs. One third of all

ceramic engineers and glass scientists in the U.S. today hold at least one degree from the SUNY School of Ceramics. (<http://nyscc.alfred.edu/>)

Houghton College

Houghton College is a private Christian liberal arts college in the northern Allegany County hamlet of Houghton. Houghton College offers undergraduate programs in a wide array of Liberal Arts and Christian studies. (<http://houghton.edu/>)

St. Bonaventure University (SBU)

SBU's campus is located in the Town of Allegany in Cattaraugus County, near the City of Olean. It is a private Catholic University in the Franciscan tradition and offers undergraduate and graduate degree programs in a variety of liberal arts disciplines, including English literature, journalism, and Franciscan studies. SBU also has the only NCAA Division I athletic program in the region. (<http://www.sbu.edu/>)

State University of New York College at Fredonia (SUNY Fredonia)

SUNY Fredonia is located in northern Chautauqua County in the Village of Fredonia, near the City of Dunkirk. SUNY Fredonia offers 75 full undergraduate programs and several others as minors or concentrations. It also offers 12 graduate degree programs from music to education to speech pathology. (<http://www.fredonia.edu/>)

Empire State College (ESC)

ESC has centers at Alfred University and Jamestown Community College. ESC is an adult education college offering full and complete associates and bachelor's degrees to returning students that are unable to attend traditional full time college programs because of conflicts in schedule, obligations, atmosphere, etc. Degree programs can mirror traditional degree programs, or be customized to student needs. Some courses are held in the affiliate schools, others in alternative formats (e.g., internet). (<http://www.esc.edu/>)

APPENDIX II

Recent Economic Development Studies

Southern Tier West recognizes that in addition to its own efforts and activities, collaboration and coordination with state, regional, and local economic development efforts is crucial to the full implementation of the CEDS. The previous analysis of the region’s economic strengths, weaknesses and targeted growth clusters is echoed in a number of relevant government-sponsored plans, including workforce plans. Existing regional investment strategies should be fully consistent with the analysis contained herein – similar goals, objectives, and strategic focus based on similar evaluations of the regional economic condition. State and federal economic development plans should also be highly consistent with this CEDS – complementary goals, objectives and strategic focus based on consistent economic analysis.

This CEDS has utilized and in agreement with the following economic development studies:

Allegany County	Cattaraugus County	Chautauqua County	Seneca Nation of Indians	Regional	State	Federal
Allegany County Comprehensive Plan: A Plan for 2008-2018	Cattaraugus County, 2008 Annual Report	Greater Jamestown Empire Zone Development Policy, 2007	Seneca Nation of Indians, Transit Plan Final Report, 2009	Southern Tier West, Regional Transportation Strategy, 2009	NYS Department of Transportation Rail Plan, 2009	USDA, Rural Development Strategic Plan, Fiscal Years 2005- 2010
Allegany County HUD Consolidated Plan, 2007-2012		Chautauqua County Coordination Transportation Work Plan, 2007		Cattaraugus- Allegany Workforce Investment Board, Strategic Plan, 2005-2008	New York State Department of State, Appalachian Development Plan, 2007-2010	Appalachian Regional Commission, Moving Appalachia Forward Strategic Plan, 2005-2010
Mobility Management Plan Final Report, 2008		Chautauqua County Workforce Investment Board, Local Plan Modification, 2008-2009			Workforce New York, Strategic Five-Year Plan, 2003	Appalachian Regional Commission, Energizing Appalachia, 2006
Friendship Empire Zone, Development Plan, 2007		Chadwick Bay Champion Community, Strategic Plan, 2002				
Allegany County Strategic Tourism Marketing Plan, 2007						
Coordinated Public Transit-Human Services Transportation Plan, 2007						
Allegany County Focus 2004 – A Strategic Planning Document						
I-86/Rt.19 Crossroads Market Feasibility Criteria Study, 2004						
Allegany County Agriculture Development and Farmland Enhancement Plan						

FEDERAL ECONOMIC DEVELOPMENT PLANS

The USDA Rural Development Strategic Plan, Fiscal Years 2005-2010

Developed by: United States Department of Agriculture

This plan is a national approach to the human and economic concerns of rural America. The Rural Development Strategic Plan outlines four national priorities for creating economic opportunities and improving the quality of life in rural America:

- Access to capital to build entrepreneurship and business development
- Affordable housing and community facilities
- Broadband deployment to strengthen communications infrastructure and increase the availability of technology in rural areas.
- Realignment of the agricultural cooperatives program to promote contemporary cooperative business models, catalyze building cooperative equity, and stimulate organizational flexibility in market response

The report recognizes two strategic goals:

Goal 1: Increase economic opportunity in rural America - enhance capital formation, encourage a diverse business base, improve access to modern telecommunications, and create new opportunities for agricultural producers and rural businesses.

Goal 2: Improve the quality of life in rural America - develop community infrastructure and provide decent, safe, and affordable housing.

As a rural region, this CEDS incorporates various elements of this broad, national plan for rural development.

Report Access:

<http://www.rurdev.usda.gov/rd/strategicplans/rdstratplan05-10.html>

Moving Appalachia Forward: ARC Strategic Plan, 2005-2010

Developed by: Appalachian Regional Commission

“Changes to the Region’s economic base present significant opportunities and challenges to Appalachia. The new economy offers opportunities for the Region in knowledge-based industries and sectors such as services and healthcare. At the same time, shifting demands present challenges to traditional manufacturing, mining, and agriculture.”

ARC’s mission is to be a strategic partner and advocate for sustainable community and economic development in Appalachia and by doing so place Appalachia in socioeconomic parity with the nation. The concerns and policy recommendations outlined in this development plan are found in more local detail throughout this CEDS.

The goals and objectives outlined in this plan are as follows:

Goal 1: Increase job opportunities and per capita income in Appalachia to reach parity with the nation

- Foster civic entrepreneurship
- Diversify the economic base
- Enhance entrepreneurial activity in the region
- Develop and market strategic assets for local economies
- Increase the domestic and global competitiveness of the existing economic base
- Foster the development and use of innovative technologies
- Capitalize on economic potential of the Appalachian Development Highway system

Goal 2: Strengthen the capacity of the people of Appalachia to compete in the global economy

- Foster civic entrepreneurship
- Enhance workforce skills through training
- Increase access to quality child care and early childhood education
- Increase educational attainment and achievement
- Provide access to health-care professionals
- Promote health and wellness and prevention

Goal 3: Develop and improve Appalachia’s infrastructure to make the region economically competitive

- Foster civic entrepreneurship
- Build and enhance basic infrastructure
- Increase the accessibility and use of telecommunications technology
- Build and enhance environmental assets
- Promote the development of an intermodal transportation network

Goal 4: Build Appalachian Development Highway Systems to reduce Appalachia’s isolation

- Foster civic entrepreneurship
- Promote on-schedule completion of Appalachian Development Highway System
- Coordinate work on Appalachian Development Highway System state-line crossings

This CEDS works in close coordination with the challenges, goals, and objectives for the Appalachian region laid out in this planning document.

Report Access:

<http://www.arc.gov/index.do?nodeId=2296>

Energizing Appalachia: A Regional Blueprint for Economic and Energy Development, October 2006

Developed by: Appalachian Regional Commission

This document condenses key findings and shares initial recommendations from research studies, regional energy roundtables, and the work of the ARC Energy Advisory Council. It includes: an overview of the global, national, and regional energy landscapes; an explanation of the Energy Blueprint’s goals and strategic objectives; and an identification of specific strategies that can be pursued by ARC and its partners.

ARC’s energy goal is to “*develop the Appalachian Region’s potential to increase the supply of locally produced, clean, affordable energy, and to create and retain jobs*”. The strategic objectives for economic and energy development outlined in the plan includes:

- Promote energy efficiency in Appalachia to enhance the Region’s economic competitiveness
- Increase the use of renewable energy resources, especially biomass, to produce alternative transportation fuels, electricity, and heat
- Support the development of conventional energy resources, especially advanced clean coal, to produce alternative transportation fuels, electricity, and heat

The report details the imbalance of the oil and gas markets and its effect on the costs of transportation fuels and residential and commercial heating, as well as the costs of generating electricity and supplying energy to the manufacturing and agricultural sectors of the world economy. Policy recommendations include:

- Technology research and development and demonstration programs
- New energy technology investment incentives
- Energy or efficient products production incentives
- Consumer adoption incentives for energy efficiency purchases
- Standards and mandates to promote energy efficiency, market adoption, and environmental quality

In order to accommodate the rapidly changing area of energy development, this CEDS is a flexible working document. Easy coordination with planning documents such as this prevents the regional economy from missing out on critical and inevitable economic opportunities in energy development.

Report Access:

<http://www.arc.gov/index.do?nodeId=3118>

NEW YORK STATE ECONOMIC DEVELOPMENT PLANS

NYS Workforce Investment Board: Two Years of the Strategic Five-Year State Plan, 2007-2009

Developed by: New York State Department of Labor

This document discusses the human assets and weaknesses of the statewide economy. It notes that *“between 1990 and 2006, the New York State economy continued its long-term transition from one centered in the manufacturing of goods to one dominated by the service-providing sector...Service-providing industries are expected to continue to account for most new jobs in New York through 2014, while manufacturing is projected to continue to shed workers into the foreseeable future.”*

In describing current and projected statewide growth industries, the State Plan notes, *“The professional and business services sector has the highest projected growth rate among the major sectors of the State’s economy. Within this sector, strong growth is expected in the high-skilled occupations in the professional, scientific, and technical services industries...Demographic changes, especially the aging of the population, will significantly impact industries and occupations in demand. As a result, the health care and social assistance sector is projected to have the second highest growth rate in the State’s economy... Although manufacturing employment as a whole is projected to continue to decline, specific high technology industries are projected to grow and develop...Construction is another sector expecting strong growth...Population trends are also expected to affect the need for workers in education and related occupations...strong growth is projected for educational workers”*

Although this data analysis identifies many issues, the following are main issues recognized by the State Plan as challenging workforce development and economic growth:

- The need to increase labor force participation rates and training accessibility
- The need to increase the levels of literacy to develop a 21st Century knowledge workforce
- The need to design strategies that effectively support vocational English as a Second Language
- The need for mature worker retention strategies and younger worker attraction strategies in our Upstate regions, where population growth is not keeping pace with workforce needs
- The need to focus on post-secondary education to prepare individuals for the highly skilled employment sector
- The need to design creative approaches to retaining retirement age workers’ participation in the labor force
- The need to provide specialized training and skill development in the health care and social assistance sectors
- An increased attention to aligning economic and labor market needs with the K-12 curriculum to increase the understanding of local economies and the critical role education plays in keeping economies vibrant
- A heightened focus on ensuring that New York’s civilian labor force has access to the tools needed to assess and understand their skills (and skill gaps) in relation to the local and regional economies

The proposed plan of action for workforce development in 2007-2009 is: *“...revitalizing the upstate economy through targeted industry sector initiatives and infrastructure investments such as universal broadband capabilities to ensure that upstate citizens have access to affordable, high-speed Internet service; continued focus on streamlining and integrating workforce development resources through functional alignment; increasing opportunities for incumbent worker training through innovative programs; and encouraging regional strategies and*

partnerships that improve worker attraction, retention and skills development that align with local and regional economic needs.”

This statewide path for workforce development and training is a central tenet of the economic development strategy for the Southern Tier West region. The assets, challenges, and recommendations for workforce development at the State-level are clearly reflected in the regional CEDS.

Report Access:

<http://www.labor.state.ny.us/workforcenypartners/swibs.shtm>

New York State: Appalachian Development Plan, 2007-2010

Developed by: New York State Department of State

This document discusses the internal and external forces affecting the region’s economy in both positive and negative ways. It echoes the regional economic weaknesses and challenges in this CEDS.

“In a report studying New York Counties, the New York State Legislative Commission on Rural Resources suggests that the level of urbanization of a county is positively associated with increased economic competitiveness. More rural counties are characterized by stagnant population growth, relatively aged populations, and high levels of senior dependency. The Southern Tier constitutes the most rural portion of New York State outside of the Adirondack Park and that portion of the Catskill Park outside the region. The Commission on Rural Resources identifies Allegany, Chenango and Delaware counties as the most rural individual counties in the Southern Tier. In the aggregate the Southern Tier West region is the most rural portion of Appalachian New York. The report points out that there is much variation between counties in economic and social conditions and also significant disparities within counties in terms of income levels, poverty and unemployment rates.”

*“The growing reliance on individual-level government assistance reflects both the seismic economic shifts and short-term economic difficulties the region faced over the past decade. The downsizing or departure of leading manufacturers (especially in the computer, electronic, aeronautic and fabricated metal industries), sharp cutbacks in defense contracts, a slow recovery from recessions in the late 1980s and early 1990s, the proliferation of relatively low-paying service sector jobs, an aging population and other factors have all weakened the competitive position of Appalachian New York. These changes have also taken their toll on the Southern Tier’s economic standing within the Appalachian Region. Nowhere is this more apparent than in regional income trends...it continues to move away from, rather than toward, the Appalachian and national averages for this measure. In 1990, Appalachian New York’s per capita market income represented 80.5% of the national average and 103.6% of the Appalachian average. By 2000 it had slipped to 73% of the national statistic and 94.4% of the Appalachian figure. **No other state’s Appalachian region has experienced a sharper decline in per capita market income since 1970.** The Southern Tier thus stands in stark contrast to those Appalachian regions that have made gains or held their own in per capita market income over the last three decades.”*

“One of the most significant logistical challenges affecting education in Appalachian New York is the lack of access to educational services caused by the region’s low population density and transportation deficiencies.”

“Inadequate, antiquated and often substandard water and wastewater systems can impede economic growth and vitality in Appalachian New York. Many industries in the area are water-dependent and require a suitable water supply adequate for their growth needs. To retain or enhance their commercial sectors, as well as to satisfy environmental regulatory requirements, municipalities must continue to upgrade and expand their water and wastewater systems...Eying the bottom line, numerous rural communities have had to defer necessary repair and maintenance of their systems. Meeting the capital requirements of infrastructure development for new industrial parks and other business sites is a similar challenge. ... The main obstacle to resolving these problems is the absence of adequate financial resources within these communities. Too often, the rural communities most in need of critical infrastructure upgrades are those that are least able to pay for them.”

The Plan also notes the “significance of net migration as a factor that affects the economic prosperity of Appalachian New York.”

It also echoes the regional economic assets and opportunities contained in the CEDS.

“Appalachian New York has had a higher percentage of high school graduates among the adult population (aged 25 and older) than has the nation as a whole.”

“The State of New York has constructed a substantial educational infrastructure geared towards provision of job skills training. Along with the two university centers and four liberal-arts colleges, there are six two-year community colleges and technical institutes located in the Southern Tier. These two-year community colleges offer a wide array of vocational and technical training programs and tend to focus on skills-based education. Due to their flexibility, community focus and partnerships with business, labor and public schools, community colleges give students an opportunity to gain the applied skills they need to land good jobs and help displaced workers transition to new careers. The number of students in the Southern Tier entering the community colleges is a reflection of the opportunities available through this educational infrastructure.”

“Distances can be bridged, increasing the effective use of educational resources and the demand for courses, through an advanced and broadly accessible telecommunications infrastructure. It is the objective of New York State that Appalachian residents will have access to a modern and flexible telecommunications infrastructure serving multiple categories of beneficiaries.”

“The Southern Tier's growing telecommunications infrastructure has applications beyond formal education. Specifically, access to and proper use of telecommunications technology can increase the quality, availability and efficiency of business services, health care and governmental administration and service provision. Telecommunications equipment can be used to enrich both basic and advanced education and skills training programs, as well as to foster regional data exchanges. By providing a gateway to otherwise inaccessible resources and facilitating communication across great distances, this technology also helps to ‘level the playing field’ between isolated rural areas and metropolitan centers.”

“The Southern Tier's terrain presents a major barrier to surface transportation. As a result, there is only one major east-west road, New York State Interstate 86 (I86), that traverses the entire region.” The western segment of I86 traversing the region, “serves as a major corridor for tourist and non-business travel. In much the same way, (this highway) gives heretofore isolated residents of the Southern Tier access to economic, social and cultural opportunities in the region's small metropolitan areas and beyond ... These benefits include shorter travel times and reduced vehicle operating costs ... Whether considered from the standpoint of increased economic opportunity, ease of travel or cultural contact, the ongoing modernization of I86 is an important economic benefit for the Southern Tier.”

“Rail traffic on the Southern Tier Main Line is expected to increase significantly.” The Southern Tier Extension Railroad Line has “the capability of serving as a mainline through route for the first time since the 1980’s.”

“There is a continued need to stimulate manufacturing opportunities in the Appalachian region of New York State. The economic benefits of doing so are manifold, not least of which is the higher than average pay associated with manufacturing employment. A strong manufacturing base remains a key element in a viable regional economy and a path to economic advancement.” Further, “to be effective ... economic development strategies need to focus on more than one economic sector. Equal attention must be paid to expanding economic sectors like services. In this light, greater emphasis should be placed on stimulating high “value-added” services in the health, education, business and financial sectors. This would also enable the Southern Tier to capitalize upon its socio-economic strengths, including its substantial educational infrastructure. Targeting investment and development strategies on advanced manufacturing processes and on information, business, health care and other professional services would help Appalachian New York to adapt to changing economic realities, generate high caliber employment opportunities and move constructively into the future.”

Report Access:

<http://www.dos.state.ny.us/lgss/pdfs/ARC/ARCDevPlan07-11.pdf>

New York State Rail Plan, 2009

Developed by: New York State Department of Transportation

The State Rail Plan is critical to railroad transportation infrastructure initiatives in the region. The CEDS analysis and initiatives for railroad infrastructure reflect this comprehensive plan to update and improve the statewide rail system. The State Rail Plan notes the successes of railroad transportation planning and development in the region:

“A notable success in railroad preservation and revitalization is the Southern Tier Extension...In essence the Southern Tier Extension had evolved from a rail lined targeted to be abandoned by Conrail, to a highly functioning line serving numerous customers with significant economic development potential for the Southern Tier region.”

“The Southern Tier Extension Railroad is essential to the economy of southwestern New York in assisting in retaining and attracting manufacturing by providing an additional transportation option to this rural region...given the limited opportunity to expand the highway system, an abandoned railroad right-of-way represents an extremely valuable resource for future mobility.”

Report Access:

<https://www.nysdot.gov/divisions/policy-and-strategy/planning-bureau/state-rail-plan>

REGIONAL ECONOMIC DEVELOPMENT PLANS

Cattaraugus-Allegany Workforce Investment Area Strategic Plan, 2005-2008

Developed by: Cattaraugus-Allegany Workforce Investment Board, Inc.

This plan comments on the strengths and weaknesses of human assets in Cattaraugus and Allegany counties. The weaknesses in the regional makeup of human assets are consistent with the CEDS analysis.

The WIA plan cites a “national crisis” in finding qualified employees in the regions medical and healthcare sector - as the population ages and shrinks. Population aging causes additional difficulty finding qualified employees in the manufacturing sector. The Plan states, “With the ageing of the Baby Boom generation and the pending retirement of large numbers of people with these critical skill sets, a ready pool of trained applicants must be prepared.” As an economy “subject to the macro trends of the increasingly globalized economy,” and “the manufacturing sector in particular has been impacted by shifts in production out of the northeastern United States towards cheaper labor pools in the south of the Country (if production stays within the borders) or abroad.” Workforce projections include additional shortages in the skilled trades - especially welding, machine operating, and specific vocational and trade jobs. The plan notes a need to increase training and placement services to regional youth.

Workforce development assets in the two-county region include accelerated development opportunities linked to the phased construction of the US Route 219 highway, and growth in the following occupational fields:

- Tourism/Hospitality – All levels
- Construction Trades – All levels
- Health Care – All levels particularly Dentistry, Nursing, Support Staff
- Manufacturing – Food Processing related
- Trucking/Distribution – Long Haul Drivers, Distribution Center

“Major emerging industry sectors, as identified above, include Health Care, Tourism/Hospitality and Construction. The Health Care sector is symptomatic of the national trends and demographic shifts to which our LWIA is not immune. The growth within the Tourism/Hospitality sector is driven in large part by the continued development of the Cattaraugus County Tourism economy largely around the Ellicottville area, and two recent developments at the Seneca Nation owned Seneca Allegany Casino and the emerging Allegany County Water Park development. These two new Tourism/Hospitality developments are driving the Construction industry as new structures are built and old ones remodeled to meet new needs/uses. Smaller, but vibrant emerging industry sectors include Dairy and Food Processing, Ceramics, Glass and Advance Materials, and Trucking/Distribution.”

“Health care is also emerging as a powerful driver of local economic development. Cuba Memorial Hospital is seeking to create a supported living campus, potentially housing hundreds of elder clients. This will create an even greater demand for local physicians, specialists, nurses and other health care staff. These jobs will be in addition to

the demand created by the national demographic trends. Further, as the Ellicottville and Salamanca economies mature, additional health care capacity will be required.”

“The Ceramics, Glass and Advance Materials sectors continue to see steady growth as the emerging fields of biotechnology, nanotechnology and glass science mature. Alfred University has been a world-renowned center for glass science technology for decades and the local Ceramics Incubator project is showing steady growth and expansion as commercial products are brought to market.”

The CEDS industry growth projections as well as recognized regional strengths and weaknesses are fully consistent with the analysis of regional workforce development plans.

Report Access:

<http://www.cawib.net/pdfs/CAWIB%20Strategic%20Plan%202005-2008.pdf>

COUNTY ECONOMIC DEVELOPMENT PLANS

Allegany County Comprehensive Plan: A Plan for 2008-2018

Developed by: Allegany County Comprehensive Planning Committee

This comprehensive plan is a critical step toward improved economic development in Allegany County. Allegany County has undertaken a wide variety of Strategic Planning efforts over the last decade and these plans are incorporated in this particular plan. The plan notes economic development assets as the County’s *“rural character, which provides an enhanced quality of life and highly productive levels of quality of life. The low crime, good schools, well maintained roads, easy access to interstates, low traffic congestion, and general characteristics of the area are all positive factors for living and working in our area. Businesses can now be based in any locale with the advent of internet and multiple methods of broadband availability.”*

Objectives to support, attract and expand new and existing businesses in Allegany County, include:

- Allegany County should have focused development within identified corridors and parks
- Focus on the development of I-86 and Route 19 at the Crossroads
- Developing business locations: Empire Zone Development areas: Friendship Development corridor, Crossroads Development Area; Wellsville Development Area; Cuba Development Area, Sugar Hill Development and others to be determined
- Encourage new and established businesses to utilize and invest in existing empty buildings in addition to new construction. We need to continue and create tax incentives, low interest loans, and dedicated funds
- Areas for development include but are not limited to:
 - Friendship Empire Zone Sites,
 - Wellsville-Scio Corridor
 - Wellsville Airport
 - Development along Route 19
 - Sugar Hill in Alfred
 - Canaseraga Creek Corridor
 - New sites along I-86 corridor
 - Alfred-Almond Corridor
 - Bolivar Industrial Park
 - I-86 and Rt. 305 Corridor
 - And other locations to be determined in the future
- Develop an Inventory of available sites
- Increase focus on Main Street development
- Consider utilizing more Brownfield sites
- Streamline the delivery system for permitting and of new investment and construction

- Implement the six-exit strategy for Cuba, Friendship, Belmont, Angelica, West Almond, and Almond/Alfred of I-86
- Continue our focus on key sectors including manufacturing, education, agriculture, and green energy

Report Access:

<http://alleganyplanning.com/theplan.htm>

Allegany County HUD Consolidation Plan, 2007-2012

Developed by: ACCORD Corporation and Allegany County Planning Board

This document outlines economic development threats to Allegany to be a general lack of available debt and equity capital for small business, telecommunications infrastructure, higher-end housing, public transit and transportation options, and proper environmental practices in development planning (specifically flood plain and wetland issues, storm water runoff pre- and post-construction, and well-head recharge area sensitivity). The need to remove the “blight” of Allegany County’s development environment is critical to future success.

The Plan mentions four corridors within Allegany County designated as highly suitable for development, including:

- Friendship East (encompassing County Road 20 from Friendship to Amity to the I-86/State Route 19 Crossroads Development Area), due to resolutions supporting an inter-municipal sewer and water district to support development here
- Wellsville Town and Village (State Route 417) within which several zone-certified businesses exist, as do sewer, water, utility, and transportation infrastructure and parcels of open land
- Cuba Town and Village (from pre-existing village zone westward along County Route 466 and northward across Interstate 86 and State Route 305) within which is a mix of zone-certified businesses and locations for business site development
- Friendship West (at Interstate 86, Exit 29) including previously designated prime land, a ‘shovel ready’ 22-acre industrial site, and existing infrastructure to support business development.

Report Access:

http://alleganyplanning.com/pdfs/HUD_PLAN.pdf

Allegany County: Mobility Management Plan Final Report, 2008

Developed by: Nelson/Nygaard Consulting Associates

The Allegany County Transportation Task Force also examined issues and opportunities as well as county priorities in the Allegany County Mobility Management Plan. These reiterate the issues discussed in the Coordinated Plan with a little more detail and insight. In order to develop a set of strategies that should guide the coordination of transit services in the County, it was important for the Task Force to understand the travel behavior and opinions of county residents. A number of surveys were conducted between July 2007 and July 2008 to solicit feedback from existing passengers and non-riders. The survey results were compiled along with information collected from interviews, focus groups, and other county data sources. Below is a summary of the dominant issues and opportunities that helped guide the development of goals and performance measures for the County. The Task Force is committed to continuing to pursue all opportunities to streamline transit services and reduce costs to the County. They will continue to refine and implement the Mobility Management Plan.

Report Access:

Not available online

Friendship Empire Zone Development Plan, 2007

Developed by: Town of Friendship and Allegany County

This plan discusses opportunities represented by specific target clusters in Allegany County. The initial rationale for the designation of these target clusters, which are designated because of maximum growth opportunity, is that these clusters are directly related to existing or projected business operations within Allegany County. These target clusters are as follows:

- food and dairy processing industrial agribusiness
- electrical and electronic manufacturing industrial
- precision metal fabricating manufacturing industrial
- ceramics, glass and advanced materials manufacturing business
- road, bridge, building and pipeline manufacturing construction industry
- forest products manufacturing industry (including primary and secondary wood processing)
- rail trucking distribution and logistics business
- destination recreation, tourism and hospitality business
- support services (including professional, financial, back-office, technical operations and disaster recovery) business

Report Access:

http://alleganyplanning.com/pdfs/Friendship_EZ_Dev_Plan_2007.pdf

Allegany County: Strategic Tourism Marketing Plan, 2007

Developed by: Stuart I. Brown Associates, Inc.

This plan indicates the following research findings regarding various problems existing in Allegany County that negatively impact the County's tourism industry:

1. Fragmentation and a lack of county-wide cohesion and identity
2. Lack of a county-wide business network and association (*since publication of this Plan, Allegany County has established a Chamber of Commerce*)
3. Tourist attractions in Allegany County are small, often event-centered, and geographically dispersed throughout the County, which is not easy to travel and for which tourism signage is not adequate
4. Advertising and promotion activities are inadequate
5. Neglected marketing opportunities
6. Deteriorated and blighted physical appearance of communities
7. Low profile along Interstate 86
8. Inadequate organizational capacity / limited financial resources / lack of accountability

Report Access:

<http://alleganyplanning.com/pdfs/AlleganyMarketingStrategicPlan2007.pdf>

Allegany County Coordinated Public Transit-Human Services Transportation Plan, July 2007

Developed by: Allegany/Western Steuben Rural Health Network, Inc

The Allegany County Transportation Task Force was assembled in January 2007 with the intent to create a Coordinated Human Services Transportation Plan. The mission of this plan is *“To identify the transportation needs of the transportation-disadvantaged as well as reduce gaps and duplication of services. By doing so it is our intention to develop a plausible, consumer-focused Coordinated Human Services Transportation Plan for Allegany County in collaboration with its neighboring counties.”*

Recognized strengths include existing human resources and transit partnership programs as well as task forces. Weaknesses for public transit-human services transportation planning include limited resources, confusing regulations and reliable funding. The CEDS and the Southern Tier West Regional Transportation Strategy, integrate the findings of this plan with transportation planning and economic development efforts.

Report Access:

<http://www.alleganyplanning.com/otherreports.htm>

Allegany County Board of Legislators Focus – A Strategic Planning Document, 2004

Developed by: Carr Marketing and Communications, Inc.

This document discusses Allegany County’s economic assets and failures. It details the region’s lack of a main north-south highway and inadequate infrastructure, especially water and wastewater infrastructure along I-86 and NYS Route 19. The plan speaks to external forces affecting the region, including high state and federal tax rates, downsizing and closure of non-locally-owned manufacturing companies, and NYS overregulation. Opportunities outlined include recreational and tourism attractions, interstate highway interchanges, low county debt, industrial development sites, and three higher education institutions including a world-renown ceramics college and a related ceramics incubator.

Report Access:

http://www.alleganyco.com/btn_leadership/legislators/ac.public.plan%20report.htm

Allegany County: I-86/Rt.19 Crossroads Market Feasibility Criteria Study, 2004

Developed by: Carr Marketing and Communications, Inc.

The purpose of the study was to evaluate the marketability of the area surrounding the I-86/Route 19 interchange for economic development purposes. This interchange is the intersection between I86 and NYS Route 19, which are the main east-west and north-south highways in Allegany County. The plan discusses the development potential represented by the relatively undeveloped Greenfield status of the four quadrants of the interchange, and the constraints to development at that location, which include site control, infrastructure, flood plain issues, etc.

Report Access:

<http://alleganyplanning.com>

Allegany County: Agriculture Development and Farmland Enhancement Plan

Developed by: Allegany County Community Visioning Group, Agricultural & Farmland Protection Board, Office of Development, and Soil & Water Conservation District

As one of Allegany County’s most valuable economic and environmental assets, this plan seeks to create a balance between “*public interest in economic development, viability of farming, and natural resource conservation. By focusing educational efforts toward the proper treatment of renewable resources, the resulting economic incentives can improve sustainability of rural businesses.*” It outlines the County’s stronger involvement in extraction sectors of agriculture, forestry, and mining (clay and gravel) than New York or the nation as a whole. However, it also outlines the general low profitability of agricultural enterprises. The plan mentions, “*room for expansion in agribusiness, agriforestry, ceramics, food processing, metal fabrication, technical support services, telecommunications, tourism and wood processing.*” The challenges it presents are farmers getting the information necessary to make sound management decisions and the increased attention from environmental regulations and environmentalists.

Report Access:

<http://www.alleganyplanning.com/>

Cattaraugus County: Annual Report, 2008

Developed by: Cattaraugus County Department of Economic Development, Planning, and Tourism

The mission of this report is three fold:

- Economic Development – to encourage job creation and investment in our communities through business retention, expansion and attraction.
- Planning – to achieve a sustainable balance between rural preservation and urban development through proper planning tools in each individual community.
- Tourism – to promote Cattaraugus County, with all of its natural beauty and abundance of four season outdoor activities, as a tourism destination.

This report outlines the annual funding and progress of various initiatives in Cattaraugus County. It provides access to various economic development opportunities in the County, including training, technical assistance, and much more.

Report Access:

http://ww2.cattco.org/files/downloads/economic-development-planning-and-tourism/2008_Annual_Report.pdf

Chautauqua Workforce Investment Board: Local Plan Modification, 2008-2009

Developed by: Chautauqua Workforce Investment Board

This plan is an addendum to Chautauqua WIB's Three-Year Plan adopted in 2005. The plan notes that ongoing employer restructuring is resulting in employee layoffs. The comprehensive plan notes the general aging of Chautauqua County's population and resulting retirements from professional occupations and need for services to the aged. This is leading to workforce shortages in particular fields and a need for additional workers in health care and other services. The plan notes growth industries with a need for enhanced labor force skills, including manufacturing (especially metal processing, wood processing, and food processing), health care, and travel and tourism. There is also a need to develop basic skills, entrepreneurial talent, and supervisory skills.

The Workforce Investment Board's financial constraints are identified as causing reduced staffing capacity at a time when demand for Workforce Investment Board services is economically critical.

Report Access:

<http://www.chautauquaworks.com/Uploads/File/08%20Chautauqua%20Amended%20Local%20Plan%20-%20FINAL.pdf>

Greater Jamestown Empire Zone Development Plan, 2007

Developed by: Greater Jamestown Empire Zone

This plan discusses both human and economic assets, noting "*major challenges to the regional economy include the high cost of doing business in New York State, over regulation, politics and its impact on causing disjointed development by New York State and its regions, the economic development incentives offered by other states and countries, and the low cost of labor overseas, especially in Asia, which continue to restrain regional and state-wide growth.*"

For the City of Jamestown, the plan indicates that "*the city's industrial areas are characterized by older and/or abandoned buildings, limiting the amount of available developable land for new development. The challenge is to adapt and reuse old industrial sites and structures. ... There is a need to develop a proactive industrial redevelopment strategy including land assembly, public coordination of the delivery and cost of infrastructure, proactive remediation of environmental conditions, business retention and attraction, and development of an entrepreneurship program.*"

With respect to tourism development, the Greater Jamestown Empire Zone Development Plan indicates that "*the area's natural beauty and resources; man-made and natural recreational resources, cultural offerings, and proximity to major population areas are the ingredients for a strong tourism (i.e., regional exports) sector.*" With respect to more general industrial development, the Plan indicates that "*Chautauqua County's greatest advantages are its comprehensive economic development team, low-cost energy (Jamestown), two major interstate highways, east-west rail lines, significant supplies of fresh water, and a well-trained and motivated work force.*" The Plan also

mentions Chautauqua County's four industrial parks, two empire zones, and two incubator facilities. Strengths and advantages of the region but especially present in the Jamestown area include:

The Plan goes on to indicate that *"the Greater Jamestown Empire Zone specifically targets transportation manufacturing, metal fabrication, plastics, wood products, technical support, technology-based clusters, telecommunications, tourism, and trucking and distribution. The low cost municipal electricity, district heating and cooling systems, fiber optic network, educational system, and workforce provide opportunities for expansion and attraction of these industries."* Further, *"GJEZ's main targets are manufacturers with potentially family sustaining wages especially "traded industries," exporting goods or services and importing wealth into the local economy. Vital local manufacturers ("base industry") and the critical suppliers and service providers, i.e. machining maintenance and repair, for the larger "export" manufacturers fit this category, as well."*

Chautauqua County also recognizes the primary opportunity that broadband telecommunications infrastructure represents. The Greater Jamestown Empire Zone Development Plan indicates that:

"Technical support services and back office computer support systems are a growth opportunity for the Jamestown area. Information technology customers are increasingly demanding enhanced reliability from their data centers. The current reliability standard is defined in a four 'tier' system with customer reliability expectations approaching "five nines" or 99.999% reliability. Significant financial investment is required to achieve such a high level of reliability in data centers, necessitating economic efficiencies in other areas.

"The Jamestown Board of Public Utilities, the community-owned electric utility in Jamestown has some of the lowest industrial electric rates in New York State and the nation. BPU has the ability to provide data centers locating in the area with optimum redundancy and reliability at an exceedingly competitive cost. Data center site location criteria generally involves access to at least two telecommunications providers, with fiber optic lines located within a two mile radius of the site location with access to a minimum of a OC48 line capacity.

"The advisory policy standards for distance and cost analysis of telecommunications services indicates that Jamestown is one of the few locations in New York that qualifies as a remote data center site for Manhattan-based financial institutions. Based on the current price formula, Jamestown has the same advantages as any other site located an equal distance from Manhattan. One of Jamestown's local telecommunications providers has indicated a willingness to reduce one of the connection fees, consistent with pricing practices in the industry for large customers. In addition, the BPU owns and operates a twenty-mile fiber optic ring within Jamestown. The incoming data center cost of connecting to the fiber system would be considerably less expensive than industry norms."

Report Access:

www.greaterjamestownez.com

Chautauqua County Coordination Transportation Work Plan, 2007

Developed by: Chautauqua Area Regional Transit System

The Chautauqua County Coordination Committee was assembled in August 2007 to discuss coordinating transportation in Chautauqua County. The goal of the Committee was to develop a long-range coordinated transportation plan, as well as short-range plan to address more immediate needs and concerns which will help improve transportation service for persons with disability, older adults and individuals with lower incomes in the Chautauqua County area.

In the Chautauqua County Coordination Transportation Work Plan, the Chautauqua County Coordination Committee identified the deficiencies of the current transportation system as being a duplication of services, limited service, and/or no service. They also identified gaps in service or needs of the customer that can be defined as being service, education, marketing/promotion, coordination, and other considerations. The goals and short/long-term priorities were outlined in the Plan that take into consideration the growth of the transit system, future economic development, and quality of life. It is the goal of the Chautauqua County Transportation Coordination Committee to continue to carry out the Transportation Work Plan goals for Chautauqua County.

Report Access:

<https://www.nysdot.gov/divisions/policy-and-strategy/transit-bureau/public-trans-respository/chautauqua%20plan.pdf>

Chadwick Bay Champion Community: Strategic Plan, 2002

Developed by: Chadwick Bay Champion Community

The City of Dunkirk, Towns of Dunkirk, Hanover, Pomfret, Portland and Sheridan, and Villages of Brocton, Fredonia, and Silver Creek have formed a regional partnership to guide the northern Chautauqua County area into the new millennium.

Designated by USDA/Rural Development as a "Champion Community" region in 1996, the shared desire of the participating communities is to preserve the character of the region wherein rural surroundings are enjoyed and none of the advantages of the city are lost while fostering safe, progressive, prosperous living and improving the quality of life for all residents through preserving and expanding existing businesses and industry, seeking new complimentary enterprises, and creating new opportunities for job creation and economic revitalization.

As such, the following vision has been adopted for the Champion Community Initiative:

To promote and enhance a comprehensive and integrated regional planning process that identifies priorities and focuses resources on those identified priorities.

In the formation of the Chadwick Bay Champion Community Network, inter-municipal collaboration and cooperation were considered critical to the achievement of sustainable communities. Since its designation as a Champion Community, the Chadwick Bay region, among other actions, has:

- completed the Chadwick Bay Region Comprehensive Plan
- initiated the preparation of the Chadwick Bay Local Waterfront Revitalization Plan
- effectively advocated for completion of infrastructure at the Chadwick Bay Industrial Park

The opportunity now exists to meld together various other development themes into a 5-year strategic plan to accelerate action on and secure funding for:

- previously identified economic development projects
- inter-municipal cooperation opportunities
- tourism development projects and programs
- human services, childcare and housing initiatives

This strategic plan represents the most recent work of The Chadwick Bay Champion Community's municipal leaders and is focused on improving economic and community development efforts in northern Chautauqua County. The strategic plan outlines the goals and strategies that reflect the most urgent and important priorities identified during the various focus group sessions conducted by the Community. The municipal leaders of the Chadwick Bay Champion Community will individually and collectively work to realize the goals.

This plan indicates that northern Chautauqua County suffers from a lack of skilled workers and venture capital. The plan references an earlier document that states that business development in northern Chautauqua County is constrained by human resource development, infrastructure inadequacies, and issues of perception. The areas strengths include its educational facilities, geographic location, tourist attractions, and strong work ethic.

Report Access:

www.rurdev.usda.gov/NY/chadwick/chadbaystrategicplanrevised%2003-28-02.pdf

Seneca Nation of Indians: Transit Plan Final Report, 2009

Developed by: Wilbur Smith Associates

The Seneca Nation of Indians Transit Ad Hoc Committee was assembled in November 2007 to identify public transportation needs for Seneca members. The importance of the Committee involvement is key to community outreach and success of future transit service. The Committee identified a mission statement and five goals.

Mission Statement. The mission of SNI Public Transportation is to provide quality, safe, dependable, and courteous transit service to Tribal residents and visitors. Our mission is to lead, Advocate, and deliver quality public transportation.

Goal 1: Develop Transit Service that Provides Transportation Options for Local Residents and Tourists

Goal 2: Develop Transit Service that Positively Contributes to SNI Economic Development

Goal 3: Develop Financial Stability for Future SNI Public Transit

Goal 4: Develop Efficient, Effective and Safe Transit Service

Goal 5: Promote Future Transit Services

On June 13, 2009, the Tribal Council of the Seneca Nation of Indians approved the Seneca Nation of Indians Transit Plan Final Report prepared by Wilbur Smith Associates. In the Final Report, Wilbur Smith Associates prepared a 'Transit Needs Index' which identifies within the SNI study area, the areas with highest propensity to use transit, based on census demographic characteristics. Each of these categories represents a characteristic of a high need for public transportation. These demographic categories include: Zero-vehicle Households, Elderly Population, Mobility Limited Population, and Below Poverty Population. The Final Report provides an implementation plan for achieving public transit for the Seneca Nation of Indians.

Report Access:

Not available online