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CCIDA

Media Release

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Rail Revitalization would create 160 construction jobs; \$9,000,000 in initial economic impact

County of Chenango Industrial Development Agency seeks \$4.7 million to repair flood-damage and upgrade track, restoring service between Binghamton and Utica

Norwich, NY -- The County of Chenango Industrial Development Agency (CCIDA) has submitted an application to the New York State Department of Transportation for \$4,724,000 to revitalize the Utica Main Line railroad. The grant would cover 90% of the cost to repair sections of the Line that were damaged by floods in June 2006, and to replace deficient cross-ties where identified along the length of the line. The Utica Main Line's operator, Cooperstown-based New York Susquehanna and Western Railroad (NYS&W), would be responsible for 10%, or nearly \$525,000 of the total project cost.

After the 2006 flood, NYS&W suspended service on more than 40 miles of track in Chenango County. Freight rail service to businesses north of the damaged section remains available via CSX in Utica. Rail revitalization would not only restore service to areas that lost it, but also make available additional interchanges with the Norfolk Southern and Canadian Pacific railways. The tie-replacement component of the project would permit trains to operate at 25 mph, more than double the current allowable maximum speed of 10 mph.

According to an analysis conducted for CCIDA by Stone Consulting & Design of Warren, Pennsylvania, rail delivery of feeds and fertilizer would significantly lower costs for Chenango County's \$65,000,000 agriculture industry. Furthermore, existing businesses in other industries have expressed interest in taking advantage of rail transport's economies. The Stone study also predicts that direct rail service would increase the viability of vacant industrial sites in North Norwich, Norwich, Brisben, and Greene,

with the accompanying potential for job creation. Including rail delivery of sand, pipe, and other supplies for the natural gas industry, demand by all users could exceed 1,000 cars per year.

If funded, the project would be expected to create more than 160 construction jobs, with an estimated economic impact of \$9,000,000.

The County of Chenango Industrial Development Agency (IDA) is a public benefit corporation of the State of New York, established to provide financial and other incentives to firms expanding or locating in Chenango County. CCIDA is an integral part of the comprehensive economic growth and organizational structure of Chenango County.

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