



Prospects, Progress & Partnerships

400 Church Street, Elmira, New York 14901 • P (607) 733-6513 • F (607) 734-2698 • www.steg.com

STEG Takes On Urban Development Role

After months of discussions with leaders from the city of Elmira and Chemung County, the Southern Tier Economic Growth (STEG) Board of Directors unanimously agreed to a contract to administer economic development initiatives for the City of Elmira.

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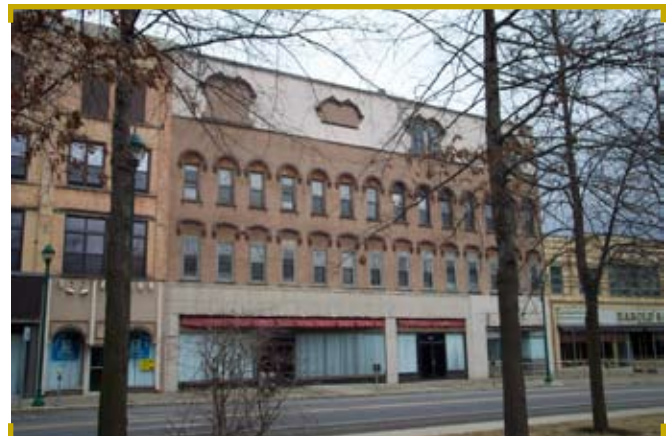
STEG President George Miner. “There is no one single program that addresses the redevelopment of urban areas; it takes creativity, professionalism, and access to leadership. STEG provides these, as well as comprehensive resources, that can help facilitate the redevelopment of Elmira.”

STEG adopted an annual budget that includes revenues from the city and the Chemung County IDA to add an economic development specialist to its staff to focus on urban development efforts.

As administrator, STEG handles the City of Elmira Empire Zone, City Loan Fund, Chemung County IDA CREDIT Fund,

and provides comprehensive economic development services to Chemung County businesses by serving as staff to the Chemung County Industrial Development Agency, and hosting the Elmira Satellite office of Empire State Development Corporation.

The first vacant structure to benefit from STEG’s new urban development role is the long vacant Rosenbaum’s property. STEG coordinated efforts with the city, county and Pyramid Brokerage to market the 30,000 sq. ft., four-story structure for \$1.00 to help facilitate its redevelopment.



The former Rosenbaum’s Department Store in downtown Elmira has been targeted by the community for redevelopment and can be purchased for \$1 with a plan for redeveloping the building.

American Customer Care Opens Center in Elmira



Elmira’s workforce and a turnkey, pre-wired facility are why American Customer Care (ACC) chose downtown Elmira over competing locations in the Northeast for its newest service center. The decision brings 150 customer service jobs to the area.

Located on the third floor of the former Iszard’s department store building, ACC signed a lease on 10,000 sq. ft. of the 50,000 sq. ft. facility, with the option to take the second floor. The city

of Elmira, Elmira Empire Zone, and Empire State Development provided financial assistance for the move.

Nearly five hundred people attended a job fair sponsored by the New York State Department of Labor to assist with the recruitment and hiring of the new customer service representatives.

American Customer Care, General Revenue Corporation, Northeast Data Services, and St. Paul Travelers employ over 1,000 customer service representatives in Chemung County. Six hundred of these positions have been created in the past 12 months.

STEG Elects Board Members



Southern Tier Economic Growth (STEG), Chemung County's economic development agency, elected new officers and members to its board of directors at its annual meeting in December.

Don Hartman, President of IST Nuclear Systems, was recently elected to serve as Chairman of the Board of Southern Tier Economic Growth. Hartman's term will run through 2008.

Officers:

- Donald W. Hartman, President
IST Nuclear Systems
- Frank A. LaViola, 1st Vice Chairman
Cameron Manufacturing & Design
- Michael P. Hosey, 2nd Vice Chairman
Elmira Savings Bank
- Steven E. Agan, Secretary
Sayles & Evans
- Donald G. Quick, Treasurer
Mengel, Metzger, Barr & Company
- Jan P. Updgraff, Immediate Past Chairman
Chemung Canal Trust Company

New Members:

- Martin Metzger, President
Silicon Carbide Products
- Daniel P. Panosian, President
Arnot Realty Corporation
- Alex H. Porter, Chairman
Chemung County Chamber of Commerce
- Joseph M. Valicenti, President & COO
Valicenti Advisory Services Inc.
- Peter C. Wallin, President
Wallin Insurance Agency Inc.

Re-elected Members:

- John T. Gough, Chairman
Gough Holding Corporation
- George L. Howell, Chairman & CEO
F. M. Howell & Company
- Joseph Kerwan, Business Administrator/FST
Sheet Metal Workers Local 112
- John Meier, President
Meier Industries
- Robert M. Proia, Vice President/
General Manager
Vulcraft of New York, Inc.
- William Roe, Corporate Secretary
Hunt Engineers, Architects & Land Surveyors
- David J. Sheen, Supervisor
Town of Southport
- Jeffrey B. Streeter, President
Streeter Associates Inc.
- William Tryon, Chairman of the Board/CEO
Trayer Products Inc.

Academic and Workforce Development Center Underway

Reconstruction of the former Lagonegro School building in Elmira into a new Academic and Workforce Development Center began this winter, thanks to a grant secured by New York State Senator George Winner. The center will provide residents with a one-stop center for vocational guidance, training and job placement.

The Krog Corporation, based in Orchard Park, NY, and the developer of 100,000 sq. ft. of multi-tenant space at Trinity Park in Elmira, has initiated the \$5.6 million project, scheduled to open in August 2007.

Local business, education and government leaders held a groundbreaking ceremony in January to mark the first phase of the reconstruction, which involved environmental remediation and interior demolition. Over the balance of the project, new

windows, fire protection, electrical, plumbing and HVAC systems will be installed in the 70-year-old structure.

Once completed, the 45,000 sq. ft. facility will be deeded over to Corning Community College, which will manage the facility, in collaboration with the New York State Department of Labor, Chemung Schuyler Steuben Workforce New York, area public school districts and BOCES, as well as other human service organizations.

A board comprised of business leaders from Hardinge, Hilliard, Vulcraft, Synthes, Schweizer, Ward Diesel, Kennedy Valve, Trayer Products, and other regional industries will oversee the development of programs at the center to ensure that they address the workforce skill-sets needed by private businesses in the area.

Sikorsky HAWK WORKS at Schweizer Aircraft

Several Chemung County contractors are working diligently to construct Schweizer Aircraft's new 100,450 sq. ft. state-of-the-art manufacturing facility for the assembly of BLACK HAWK military helicopters, which will be sold to international customers by Sikorsky Aircraft.



November 2006

Because of good weather in November and December construction on the Sikorsky Hawkworks @ Schweizer Aircraft facility is ahead of schedule. Once completed, the facility will be utilized to manufacture Blackhawk helicopters and will create 150 manufacturing jobs in Chemung County.

Edger Enterprises, Elmira Structures, Kimble, Inc., and G. O. Wick Electric are the contractors working on the \$15 million facility that will employ 150 workers. Financed and owned by the Chemung County IDA, the facility is located on an 8.5-acre parcel on the western end of the Elmira-Corning Regional Airport and is slated for occupancy in June 2007.



February 2007

Southern Tier Economic Growth (STEG) also secured funds to construct an engineering center dedicated to Schweizer's growing aviation products. Located in the Wings of Eagles Discovery Center, the center will include an aircraft training room for customers.

Chemung County Leads New York in Job Growth

	Payroll Jobs Dec. 2006	# Change in Year	% Change in Year
New York State (Total)	8,742,200	+ 61,800	+ 0.7%
New York City	3,717,800	+ 46,200	+ 1.3%
Albany-Schenectady-Troy	455,200	+ 2,200	+ 0.5%
Binghamton	115,200	+ 1,000	+ 0.9%
Buffalo-Niagara Falls	550,900	- 5,000	- 0.9%
Rochester	513,600	+ 1,000	+ 0.2%
Syracuse	328,800	+ 400	+ 0.1%
Utica-Rome	134,700	+ 200	+ 0.1%
Lower Hudson Valley	262,000	+ 2,400	+ 0.9%
Chautauqua County	57,000	+ 0	+ 0.0%
Elmira	41,800	+ 900	+ 2.2%
Glens Falls	53,700	+ 1,000	+ 1.9%
Ithaca	64,000	+ 100	+ 0.2%
Kingston	65,300	+ 800	+ 1.2 %

All figures from USDOL and NYSDOL establishment survey data, NOT seasonally adjusted.



Gas Pipeline Project Approved

Construction of The Millennium Pipeline, which will carry natural gas from Canada to the Southern Tier of New York state, will begin in 2007, thanks to the support and leadership of Chemung County.

While only 23 miles of this 182 mile high pressure gas line crosses Chemung County, Southern Tier Economic Growth (STEG) teamed with the Chemung County IDA, County Executive Tom Santulli, New York State Senator George Winner and Assemblyman Tom O'Mara to advocate for the \$375 million project with leaders from eight other counties in New York state.

"New Yorkers have seen the cost of natural gas increase dramatically since Hurricane Katrina," noted STEG President George Miner. "What is equally concerning is the diminishing

availability of this critical energy resource for new users, including new manufacturers and potentially new electric generators. It was critical for the Southern Tier that this project succeed."

The Millennium Pipeline project, which has been on the drawing board for several years, will bring a secondary source of natural gas to the region, along with an estimated 3,000 construction jobs to New York state.

Currently the vast majority of natural gas comes from the Gulf of Mexico and the supply lines feeding this area are currently near their limits.



Local Businessmen Purchase Fairway Spring

The community suffered a loss in 2006 with the death of businessman Don Peterson, owner of Fairway Spring Company in Horseheads, NY. When Peterson's family decided to sell the company, two local businessmen stepped forward to ensure that it would remain in Chemung County.

Brothers Marty and Tom Fennell approached Southern Tier Economic Growth (STEG) for help with the purchase because they were aware of a competitive purchase that could have shut down the Horseheads operation. STEG immediately assembled an incentive package to assist with the local purchase, which included receiving designation as a regionally significant project under the New York Empire Zone Legislation to allow for benefits through the Elmira Empire Zone. The purchase was completed in February

2007, ensuring the future of Fairway Spring in the community and retaining approximately 80 jobs.

Founded in 1946, Fairway Spring Company makes springs for typewriters and cash registers, and over the years has become known for its high quality extension, torsion, compression, clutch springs and wire forms. Over 50% of its sales are to automotive industry customers.

The Fennell brothers also own United Dividers and Fennell Rubber, both located in Chemung County.

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