

Empire State Development News

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FOR RELEASE: IMMEDIATE

1/28/2008

ESD TO PROVIDE REIMBURSEMENT FOR BUFFALO-NIAGARA INTERMODAL STUDY

The study will determine the feasibility of a rail intermodal freight terminal in WNY

Empire State Development Upstate Chairman Daniel C. Gundersen today announced that the state agency will reimburse up to 50 percent of the funding for a study to determine the volume levels and feasibility of a rail intermodal freight terminal in Western New York. The study will be administered by the Greater Buffalo-Niagara Regional Transportation Council (GBNRTC), which received a grant not to exceed \$50,000.

"This is an important step that will help identify the feasibility of utilizing rails to support export and import business with Canada and determining how we can create a significant, positive economic impact in the region," Chairman Gundersen said. "It is crucial that New York State be at the forefront of international business development and this study will help us realize how best to achieve those goals."

"A new freight hub and enhanced rail activity in the Buffalo area would streamline commerce for businesses looking to grow and create new jobs," said Congressman Brian Higgins (NY-27), a member of the House of Representatives Transportation and Infrastructure Committee. "Governor Spitzer's leadership on this project demonstrates his understanding of the important economic partnership between Canada and Western New York and how expanding this relationship is vital to the economic future of Buffalo and Upstate New York."

GBNRTC is currently engaged in an ongoing transportation study funded by the NYS Department of Transportation (DOT) and awarded to Wilbur Smith Associates. With Empire State Development funding, GBNRTC will expand the scope of the study.

The expanded study will address information shortcoming and limitations of trade data currently available. The study will bridge information from both government and private sources to determine the volume of overseas shipping containers, expressed in truck equivalent units, arriving in or departing the Buffalo/Niagara region via Canadian ports. Additionally, the data collection component of the study will survey area importers, exporters, freight forwarders and other stakeholders to verify the data and to gain insights on origins/destinations, routing and price sensitivity. Ultimately, the expanded study will identify the geographic market areas that would be affected by the development of an intermodal freight terminal.

NYS DOT Commissioner Astrid C. Glynn said, "Economic growth is closely tied with smart planning, and this joint feasibility study, an extension of an ongoing department analysis of freight demand in the region, will help determine future transportation investments. The State Department of Transportation looks forward to working with ESDC to evaluate the economic benefits a rail intermodal freight facility could bring to western New York."

The expanded study will be conducted by the World Trade Center Buffalo Niagara as a subcontractor to Wilbur Smith Associates.

"We are excited to get this study underway as our members have told us that such a facility would make them more globally competitive by lowering their transportation costs," said Chris Johnston, President of the World Trade Center Buffalo Niagara. "Beyond that, a rail intermodal freight terminal

in Western New York would allow local logistics service providers to offer their services to companies in places like Cleveland and Pittsburgh as those cities would likely be served by a terminal here. Finally, this type of facility could bring new businesses to our region since it would enhance our place us in international trade lanes. ”

Information collected and delivered will be comprised of summary statistics, including commodities, seasonality, lane analysis by country or origin, North American port of unloading, North American destination by state and/or postal code, and other descriptors upon which Wilbur Smith Associates and the GBNRTC jointly agree. The final report will document each element of the project and present the findings of the study, including quantification of the market potential by segment based on the traffic flow analysis and surveys.

The study is estimated to be complete by December 2008.

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