



# An Economic Snapshot of the Syracuse Metropolitan Area

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## Highlights

- After losing nearly 12,000 jobs during the recession, employment in the Syracuse area has begun to stabilize.
- The region's largest employers are in higher education (Syracuse University and SUNY Upstate Medical University).
- Other major employers are in trade and utilities (Wegmans and National Grid), health care (St. Joseph's Hospital, Crouse Hospital, and Loretto) and manufacturing (Lockheed Martin and Welch Allyn).
- The greater Syracuse region is home to 44 colleges with a combined enrollment of over 215,000 students. Schools include Syracuse University, SUNY Oswego, SUNY Upstate Medical University, and SUNY College of Environmental Science and Forestry.
- The region's population grew in both 2008 and 2009, but is still slightly below the population level in 2000.
- In 2008, the Syracuse region had 2,095 farms with 434,400 acres of farmland. The region generated more than \$250 million in agricultural sales in 2007.
- The Syracuse region has hosted New York's State Fair since 1890—the longest-running state fair in the nation. The 12-day event draws nearly 1 million visitors annually.
- The Syracuse region has many recreational and cultural attractions, including more than 50 State, county, and city parks, and 40 museums and galleries.
- The region is a prime location for technology research; facilities include the Syracuse Tech Garden and the Central New York Biotechnology Research Center, which is being constructed by SUNY.
- A major focus of area schools and businesses has been the development of technologies to improve energy efficiencies and utilize renewable sources, including wind and solar power.

The Syracuse metropolitan area (which encompasses Madison, Onondaga, and Oswego counties) is slowly recovering from a severe recession that cost the region nearly 12,000 jobs. Education, health care, business services, and new technologies have provided long-term growth which is helping to bring about a slow transformation of the region's economy. While the manufacturing sector continues to lose jobs, it remains an important part of the regional economy.

## Employment

Between August 2008 and December 2009, employment in the Syracuse region declined by 11,450 jobs (3.5 percent), a much greater loss than in the prior recession (see Figure 1). Employment declined in every sector except education and health care services, and leisure and hospitality, which together added nearly 1,800 jobs.

Figure 1  
Total Employment in the Syracuse Region



Note: Data are seasonally adjusted  
Sources: NYS Department of Labor; OSC analysis

Although employment in the Syracuse region declined in the July and August 2010, the region has gained 740 jobs since December 2009 to reach 314,800 jobs. This gain reflects continued growth in education and health services, and a slowing or cessation of job losses in other sectors, including manufacturing.

Over the past decade, the Syracuse economy has been undergoing a slow transformation. While the manufacturing sector lost 16,900 jobs, there were some gains in areas related to high technology. The trade, transportation, and utilities sector lost an additional 6,680 jobs. Losses in these sectors were partially offset by gains in education and health services (9,100 jobs), professional and business services (4,100 jobs), and leisure and hospitality (3,260 jobs). Nearly 40 percent of the region's jobs are now in these three sectors, although the manufacturing sector and the trade, transportation, and utilities sector still account for 28 percent of the region's jobs.

### **Unemployment Rate**

Between 2007 and 2009, the annual unemployment rate in the Syracuse region rose from 4.5 percent to 8 percent—the region's highest rate since the current data series began in 1990. (During the previous recession, the area's unemployment peaked at 5.6 percent in 2003.) Unemployment in the Syracuse region in 2009 was higher than the statewide average excluding New York City (7.6 percent). During the first eight months of 2010, the unemployment rate in the Syracuse area averaged 8.1 percent, unchanged compared to the same period in 2009.

### **Wages**

Because of the loss of jobs related to the recession, total wages paid in the Syracuse area declined by 1.6 percent in 2009, to \$12.2 billion. Previously, total wages in the region had grown annually, rising by a total of 26.8 percent between 2000 and 2008. Average salaries did increase in 2009, to \$41,158, although the rate of increase (1.5 percent) was the slowest of the decade. Manufacturing, which continued to shed large numbers of jobs in 2009, had the highest average salary in the region (\$57,810). Average salaries were lower in the industries that added jobs—education and health services (\$41,606) and leisure and hospitality (\$14,671).

### **Housing**

While the number of home sales declined by 21.7 percent in the Syracuse area between 2007 and 2009, the drop in median home sales prices was much less. Median sales prices declined only modestly in Madison (3.4 percent) and Onondaga (1.5 percent) counties, and median prices actually

rose in Oswego County (4.9 percent). In the first seven months of 2010, sales continued to fall compared to the same period one year earlier, but prices rose in Onondaga and Oswego counties, although they declined in Madison. The foreclosure rate has also been less severe in the region than in many other parts of New York.

### **Economic Development**

The downtown Armory Square area of Syracuse continues to grow as a retail, entertainment, housing, and commercial area. Urban Outfitters recently became one of the first national retailers to open a store in the area. Nearby, Washington Station (a \$28 million office building) is close to completion. The six-story, 126,000-square-foot building has been certified by the U.S. Green Building Council and will contain advanced energy and water management technologies.

Two other projects are underway in downtown Syracuse. The \$25 million Pike Block project will convert four vacant buildings into a complex with 87 apartments and ground-level retail stores and restaurants. In addition, the Landmark Theatre is undergoing a \$16 million stage expansion that will allow the theatre to accommodate large Broadway-style productions.

Several economic development projects in the region are focused on technology sectors. For example, SUNY Upstate Medical University and SUNY College of Environmental Science and Forestry are close to completing the Central New York Biotechnology Research Center, a \$20 million, 60,000-square-foot facility to house firms involved in the development of medical devices, medical research, and biotechnology. Central New York already has nearly 3,000 jobs in the biotechnology sector. Syracuse is also home to the State's Center for Excellence in Environmental and Energy Systems. The Center is a federation of firms, organizations, and institutions that seek to research and develop systems that monitor and control heating, cooling, lighting, water, and energy systems.

The Destiny USA project would convert abandoned industrial land into an 800-acre retail, hotel, and entertainment complex. The project's first phase—to almost double the size of the Carousel Center mall—began in 2007, but was halted in 2009 because of a financing dispute between the developer and Citibank.

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