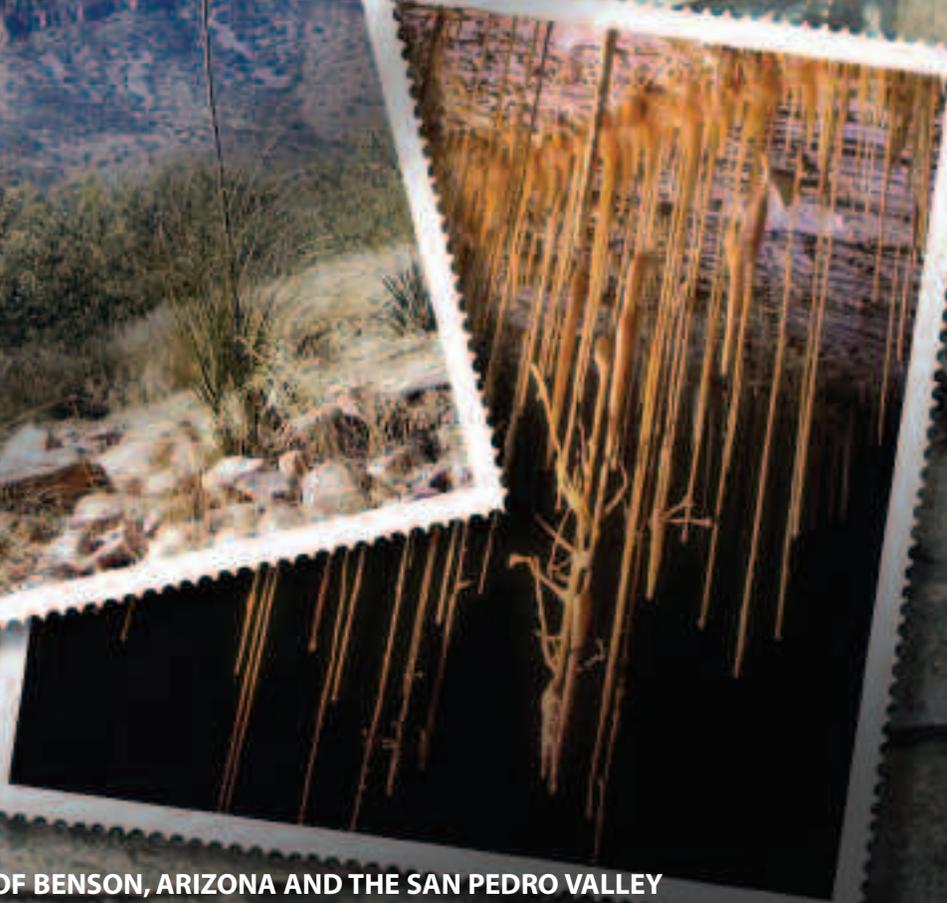


2005-2006

Benson

PROSPECTUS



AN ECONOMIC OVERVIEW OF BENSON, ARIZONA AND THE SAN PEDRO VALLEY
PRESENTED BY THE COCHISE COLLEGE CENTER FOR ECONOMIC RESEARCH

Special Thanks to Our Sponsors

The following companies and individuals sponsor the Cochise College Center for Economic Research (CER). Their generous contributions allow the CER to undertake various research projects and studies, as well as hold the annual Benson Economic Focus Luncheon and produce this publication. We greatly appreciate their generous support. For information on how you can become a sponsor, please contact the CER at (520) 515-5486 or cer@cochise.edu

Major Sponsors



**Whetstone Development Company
Whetstone Partners LLP**

Cover and Photography

Design

Design and layout by David Gordon,
Sierra Design & Publishing

Photography

Cover and inside photos courtesy of:
Center for Economic Research Staff
©Arizona State Parks
Gil Kenny Photography
Ted White
Denise Merkel, Cochise College

Founders Club



BRIGHT FUTURE BUSINESS CONSULTANTS

(520) 751-0676 • www.orangereports.com


SMITH RANCH
C O M M U N I T Y
SMITH RANCH COMMUNITY

(520) 577-0200

Forecasters Club



SAN PEDRO VALLEY NEWS-SUN

Newspaper • (520) 586-3382

Economists Club

ACE HARDWARE OF BENSON

(520) 586-7345

APACHE NITROGEN PRODUCTS, INC.

(520) 720-2217

ARIZONA ASSOCIATED AGENCIES

(520) 458-4950

ARIZONA ELECTRIC POWER COOPERATIVE, INC.

(520) 586-3631

CHERRY CREEK RADIO

(520) 458-4313

CITY OF BENSON

(520) 586-2245

COCHISE COUNTY

(520) 432-9200

COX COMMUNICATIONS

(520) 586-9679

FIDELITY NATIONAL TITLE AGENCY, INC.

(520) 586-2276

HORIZON MOVING SYSTEMS OF SIERRA VISTA, INC.

(520) 458-4625

INTERNATIONAL REALTY PLUS OF BENSON

(520) 586-8644

LONG REALTY, INC. - BENSON AFFILIATE

(520) 586-2309

RIVERSIDE INN, INC.

(520) 586-7335

SIERRA SOUTHWEST COOPERATIVE SERVICES, INC.

(520) 586-5000

SOUTHWEST TRANSMISSION COOPERATIVE, INC.

(520) 586-5599

Century Club

BEAUDRY CHEVROLET CHRYSLER DODGE JEEP

BENSON/SPV CHAMBER OF COMMERCE

ROBERT CARREIRA

GAS CITY, LTD. - SIERRA VISTA/BENSON

KEY GROUP, LTD.

MMLA PSOMAS

QUIBURI MISSION SAMARITAN CENTER

SOUTHWEST GAS CORPORATION

UNIVERSITY OF PHOENIX - SIERRA VISTA/FORT HUACHUCA CAMPUS

UNIVERSITY PHYSICIANS HEALTHCARE GROUP, LUANN KRAEMER

Friends of the CER

BAKER, PETERSON, BAKER & ASSOCIATES, INC.

DR. JOANNA MICHELICH

Table of Contents



A MESSAGE FROM THE DIRECTOR	7	Housing Affordability in the Benson Area	36
THE CITY MANAGER'S PERSPECTIVE	10	New Home Construction	38
THE CITY OF BENSON	12	Commercial Construction	38
Cost of Living	13	Cochise County Land Transactions	38
Climate	13	Cochise County Housing Market Summary	38
Arizona Enterprise Zone Program	14	BANKRUPTCY FILINGS AND BANK DEPOSITS	40
Rural Economic Development Initiatives	14	FORT HUACHUCA	42
Tax Rates	15	Economic Impact	43
Primary and Secondary Education	16	COCHISE COUNTY AGRICULTURE	44
Post-Secondary Educational Opportunities	16	TOURISM	46
Crime Rate	18	Benson's Railroad Heritage	47
Healthcare	18	Kartchner Caverns	47
DEMOGRAPHICS	20	The Amerind Foundation	48
Population Estimates and Projections	20	Cochise Stronghold	48
Race and Ethnicity	21	Gammons Gulch Ghost Town Movie Set	49
Languages Spoken at Home	22	Holy Trinity Monastery	49
Gender and Age	22	San Pedro Riparian National Conservation Area	49
Household Characteristics	23	Benefits of Tourism	49
Educational Attainment	24	The Local Tourism Industry	49
Military Veterans	24	Local Tourism Trends	50
EMPLOYMENT	25	Cochise County Lodging Indicators	51
Employment, Unemployment, Labor Force, and Job Growth	25	Benson's Hospitality Sector	51
Occupations and Classes of Workers	26	The Film Industry in the Benson Area	52
Industries	26	Calendar of Events	52
Major Employers	26	Arizona Motion Picture Production Tax Incentives Program	53
Earnings and Income	27	Park Visitations (charts)	47-49
Cochise County Employment	27	CITY MAP	54
Outlook	28	ABOUT THE CENTER FOR ECONOMIC RESEARCH	55
A Note on Employment Data	30	CER Staff	55
RETAIL AND TRADE	31	Benson Economic Advisory Committee	55
Total Taxable Sales	31	Publication Staff	55
Retail Sales	32	COCHISE COLLEGE	56
Restaurant and Bar Sales	32	Governing Board	56
Accommodation Receipts	33	Administration	56
Business Establishments	33	COMMUNITY RESOURCES	58
Outlook	34	CENTER FOR ECONOMIC RESEARCH CONTACT INFORMATION	60
HOUSING AND REAL ESTATE	35		
Planned Developments in the Benson Area	35		
Benson Area Home Sales	35		



A Message from the Director

Kubla Kahn formation in the Big Room at Kartchner Caverns State Park®. Photo courtesy of © Arizona State Parks.

At the national level, real Gross Domestic Product (GDP) – the value of all final goods and services produced in the United States, adjusted for inflation – increased at a rate of 3.5 percent in 2005, significantly slower than the 4.2 percent rate of growth seen in 2004. In the first quarter of 2006, GDP increased at an annual rate of 4.8 percent, according to advance estimates. This was the fastest rate of growth since the third quarter of 2003. According to the U.S. Department of Commerce, the strong growth in the first quarter of 2006 was the result of an increase in personal consumption expenditures, equipment and software, exports, and federal government spending.

Employment at the national level improved in 2005, with the unemployment rate dropping from 5.5 to 5.1 percent, its lowest level since 2001. The year 2005 saw a net increase of 2 million non-farm jobs. This was down slightly from 2.1 million jobs created in 2004. In the first quarter of 2006, the national unemployment rate averaged 4.7 percent, and the national economy added 590,000 jobs, according to preliminary estimates.

The Consumer Price Index (CPI) rose 3.4 percent in 2005, significantly higher than the 2.7 percent increase seen in 2004. While the rising price level has been a concern, especially since late 2005, indications are that inflation is being brought under control in the early months of 2006. In 2006, January's CPI was 4 percent higher than January 2005; however, this fell to 3.6 percent in February and 3.4 percent in March. On a seasonally adjusted annual rate basis, the CPI rose 4.3 percent in the first quarter of 2006.

A major contributor to higher inflation has been energy prices, which rose 17.1 percent in 2005. In 2005, energy prices accounted for about 40 percent of the overall advance in the CPI. Energy costs, which declined 1.2 percent in February 2006, increased 1.3 percent in March. The increase in energy prices accounted for 42 percent of the increase in the CPI during the first quarter of 2006.



BY ROBERT CARREIRA, DIRECTOR
COCHISE COLLEGE CENTER FOR ECONOMIC RESEARCH

The Federal Reserve has continued its targeting of the federal funds rate for upward movement to reflect the nation's recovering economy and stave off inflationary pressures. The Federal Open Market Committee increased the targeted federal funds rate by 25 basis points at each of 15 meetings between June 2004 and March 2006. The most recent increase on March 28 of this year brought the targeted rate to 4.75 percent. In the statement from the March meeting, the Fed signaled a potential end in the near future of the rate-raising campaign that began in mid-2004. The federal funds rate is the rate at which depository institutions lend balances at the Federal Reserve to each other overnight. The Fed has no power to directly raise or lower this rate but influences the rate primarily through its open-market operations, which consist of the purchase and sale of U.S. government securities.

One of the primary sectors of the economy typically affected by changes in the federal funds rate is the housing market; but over the past year and a half, mortgage rates have been slow to respond. As the targeted federal funds rate increased steadily from 1.0 to 2.5 percent between June 2004 and February 2005, the average contract rate on a fixed, 30-year conventional mortgage, as reported by the Federal Housing Finance Board, actually decreased from 6.25 to 5.9 percent, continuing the housing boom that began in mid-2003. Between February and April 2005, the average contract rate inched upward to 6.09 percent but then dropped steadily between April and July to 5.78 percent. Between July and December, the average rate for a 30-year fixed mortgage climbed to 6.44 percent, but then dropped slightly to 6.4 percent in January of this year. Between January and March, the average contract rate inched upward to 6.47 percent.

According to estimates by the Cochise College Center for Economic Research (CER), Benson's unemployment rate in 2005 was 8.8 percent, its lowest level since 2001.

At the state level, economic indicators offer good reason for optimism. Recently revised figures from the U.S. Department of Commerce indicate Arizona's Gross State Product (GSP) rose 7.1 percent in 2004, its largest rate of increase since 2000. This made Arizona the second fastest growing state in the nation in 2004, as measured by increases in GSP. The fastest growing state was Nevada. The largest contributors to economic growth at the state level in 2004 were durable manufactured goods, retail, finance and insurance, and construction.

Between 1997 and 2003, Arizona's GSP rose at an average annual rate of 5.1 percent, making it the fastest growing state, economically, in the nation during that period. The GSP is the most comprehensive measure of the overall economic activity of each state and is the primary tool for measuring economic growth within states.

The unemployment rate in Arizona dropped to 4.7 percent in 2005, its lowest level since 2001. This was down from 5 percent a year prior. Arizona added 97,700 jobs in 2005 for a job growth rate of 4.1 percent. This was the highest rate of growth since 1999.

At the county level, the unemployment rate for 2005 came in at 4.9 percent, down from 5 percent in 2004. The county's 2005 unemployment rate was below the national average of 5.1 percent, but two-tenths of a percentage point above the statewide rate. In 2005, Cochise County had the fifth lowest unemployment rate of Arizona's 15 counties, behind only Mohave, Yavapai, Maricopa, and Pima. Cochise County's unemployment rate in 2005 was at its lowest level since 2001. In the first quarter of 2006, the county's seasonally adjusted unemployment rate averaged 4.8 percent, indicating a continued decline in unemployment. The county's unemployment rate of 4.4 percent in March 2006 was at its lowest level since 2001.

In 2005, Cochise County added 1,900 jobs for job growth of 5.4 percent, its highest level on record, with records going back to 1994.

According to estimates by the Cochise College Center for Economic Research (CER), Benson's unemployment rate in 2005 was 8.8 percent, its lowest level since 2001.

Taxable sales in Cochise County's incorporated areas totaled \$1.26 billion in 2005, up 7.5 percent from 2004. This represents healthy, inflation-adjusted growth of 4.1 percent. Retail sales in the incorporated areas in 2005 totaled \$731.8 million, up 5.7 per-



Mountain views surround the local Benson area. Photo courtesy of CER Staff.

cent from 2004. This reflects moderate, inflation-adjusted growth of 2.3 percent.

Restaurant and bar sales in the incorporated cities increased to \$97.4 million in 2005, up 8.6 percent from 2004, reflecting strong, inflation-adjusted growth of 5.2 percent. Accommodation receipts in Cochise County's incorporated cities surged to \$27.7 million in 2005, up 19.5 percent from 2004. This reflects astounding, inflation-adjusted growth of 16.1 percent. Accommodation receipts include hotel, motel, and other lodging.

At the city level, Benson's total taxable sales in 2005 moved upward to \$77.3 million, up 3.6 percent from 2004, for modest, inflation-adjusted growth of 0.2 percent. Benson's retail sales in 2005 climbed to \$44.4 million, up 7.7 percent from 2004, reflecting healthy, inflation-adjusted growth of 4.3 percent.

Benson's restaurant and bar sales in 2005 surged to \$10.7 million, up 10.9 percent from 2004, for robust inflation-adjusted growth of 7.5 percent. Benson's accommodation receipts in 2005 climbed to \$3.5 million, up 12.6 percent from 2004, for robust, inflation-adjusted growth of 9.2 percent.

In 2005, the Cochise County housing market was characterized by a shift away from new home construction and toward the purchase of existing homes. The number of permits for new, single-family residential construction grew at its slowest rate in years, and new home closings declined for the first time in years. At the same time, the volume of sales of existing homes grew by more than 15 percent as homeowners and investors sought to cash in their equity and capitalize on higher home prices.

But while countywide the number of new residential construction permits grew at its slowest rate in years, much of this was due to slowed growth in Sierra Vista, about 30 miles south of Benson, and the unincorporated areas in the southwest quadrant of the county. For years, the vast majority of new home construction in Cochise County has taken place in the southwest quadrant. But while growth has slowed in that area, we have begun to see a shift of the market toward the northwest quadrant, including Benson and surrounding areas. This was evidenced by the near doubling of new home permits in the area in 2005. With nearly 25,000 homes currently planned for the Benson area, this trend is likely to continue.

The City Manager's Perspective



The Benson Depot/Visitor Center welcomes guests to Benson. Photo courtesy of CER Staff.



BOYD KRAEMER, BENSON CITY MANAGER

The years of dreaming and expectations of growth within the City of Benson and the surrounding area have finally become a reality. The City of Benson has embraced the “Growing Smarter” principles of the State of Arizona and continuously implements those development guidelines throughout all phases of new and redevelopment opportunities.

Water, of course, influences almost all growth topics in Arizona, and Benson is no exception. The city is currently in receipt of an updated 100-year water adequacy certificate from the Arizona Department of Water Resources. This order is the foundation of the city’s 12-point water availability, sustainability and implementation policies and practices. The city has in the past 12 months worked vigorously to ensure the designation, not only for now, but for the next 100 years. This has been accomplished by working cooperatively with developers, land owners, and state agencies in constructing additional water/wastewater infrastructure and approving water and wastewater rates for the long-term financial health of the Benson Water Utility.

There is new residential and commercial construction occurring in all sections of Benson. At this time, the Wal-Mart Supercenter is under construction with a store opening scheduled before Thanksgiving. A sizable restaurant and major addition to the Gas City/Holiday Inn Express developments are under construction. Benson Hospital’s emergency facilities are also under construction at this time. Additional professional offices will be opening on 4th Street. Water Crest, Cottonwood Bluffs, Kartchner Vista, Station Overlook, and Old Homestead currently have new homes under construction. Additional start-ups in the next several months include the areas of The Canyons Phase I, La Cholla Heights, and San Pedro Golf Estates. One large apartment complex has been approved and shortly will be under construction on State Route 80; another is being platted on the south end of Ocotillo Street.

Municipal government in Benson is also adding to the growth of our city. Local government offices will be relocating to 120 West 5th Street during the summer of 2006, providing much-needed offices, file/record storage, conference area, and public meeting space. A new public works/utility office and storage building complex is proposed on city property south of Lions Park. Benson's parks and recreational facilities will improve with future enhancements on the west side of Lions Park, as well as the master planning of Apache Park this year. The plans for the development of a municipal service center on State Route 90 will also be accomplished later in 2006 and into early 2007. Continued improvements to the Benson Municipal Airport add to the increasing portfolio of a growing city. New aircraft parking and tie-down facilities, auto parking, security fencing, water, electrical infrastructure, as well as additional private hangars have been completed or development contracts awarded. Channel 96, Benson City Access Television, will add another welcomed communication media outlet for our community, going live in early fall.

A business plan is essential to any successful organization, and the City of Benson is no exception ... The Benson Corporate Plan will soon be presented to the community.

A business plan is essential to any successful organization, and the City of Benson is no exception. The city council several months ago embarked on an effort to envision and strategize the business goals of municipal government. The Benson Corporate Plan will soon be presented to the community. This document is contemplated to serve as the path to the future, clearly defining the overall goals of the Benson City Government in the quest to preserve our small-town atmosphere, yet embracing the future within the quality of life unique to the San Pedro Valley and the special place we call home.



Shaded benches at the Benson Depot/Visitor Center. Photo courtesy of CER Staff.

The City of Benson



A scenic view at Kartchner Caverns State Park®.
Photo courtesy of © Arizona State Parks

Benson, Ariz. – home of Kartchner Caverns State Park – is the fourth largest of seven incorporated cities in Cochise County. With a population of 4,740 as of mid-2005, Benson accounts for about 3.4 percent of the county’s population.

Located 45 miles southeast of Tucson and 156 miles southeast of Phoenix, Benson was founded in 1880 and incorporated in 1924. Benson developed as a stopping point for the Butterfield Overland Stage mail delivery route. Soon thereafter, the Southern Pacific Railroad came to Benson and continued to serve the area until 1997, when the line was purchased by Union Pacific Railroad. From 1880 to 1910, Benson was the railroad hub of southern Arizona. Benson’s culture is characterized by images of the Old West and steeped with the city’s traditional railroad heritage.

The City of Benson is particularly proud of its designation as the home of Kartchner Caverns State Park. Located on 550 acres at the foothills of the Whetstone Mountains just south of Benson on State Highway 90, Kartchner Caverns State Park offers picnicking, camping, hiking, walking, and the magnificent, still-living caverns. Since its opening in late 1999, Kartchner Caverns has hosted more than a million visitors, with an average annual visitation of more than 190,000 people.

The economy of Benson is heavily dependent on tourism, as well as retail, accommodation, and restaurant and bar patronage from traffic along Interstate 10 and state routes 80 and 90. Recently, Benson, along with unincorporated areas just outside the city limits, has been eyed by developers for large-scale, master planned communities. Developers see Benson as a vital link between Tucson to the west and Sierra Vista/Fort Huachuca to the south. Wal-Mart is constructing a 99,000-square-foot store within the city limits and is expected to complete the store just before the 2006 holiday shopping season. The City of Benson supports a large retired population and is a winter refuge for people from colder climates.

Nearby locations of interest include Kartchner Caverns State Park; Old Tucson's Mescal movie site; the cities of Tombstone and Bisbee; Gammon's Gulch Movie Set and Museum; the Amerind Museum, which features remnants of prehistoric Native American cultures; the Holy Trinity Monastery; San Pedro Riparian Conservation Area; historic Fort Bowie; Fort Huachuca; Coronado National Memorial; Cochise Stronghold; Texas Canyon; San Bernardino Wildlife Refuge; Chiricahua National Monument; Coronado National Forest; and the Chiricahua Mountains. In addition, there are numerous mountain ranges that are ideal for visitors who enjoy geology, photography, picnicking, hiking, camping, bird watching, and hunting. To learn more about the City of Benson, visit the city's website at www.cityofbenson.com or the Benson Visitor Center website at www.bensonvisitorcenter.com.

Cost of Living

Although cost of living data are not available for Benson specifically, the nearby Sierra Vista-Douglas Micropolitan Area is a participant in the ACCRA Cost of Living Index program. These data provide an indication of the cost of living in the Benson area. From 2003 through 2005, the cost of living in the Sierra Vista-Douglas Micropolitan Area has ranged from slightly below to slightly above the national average, as measured by the ACCRA Cost of Living Index.

The ACCRA Cost of Living Index measures relative price levels for consumer goods and services in participating areas. The average price level for all participating places nationwide equals 100. Each participant's index is read as a percentage of the average for all places. The ACCRA index comprises separate weighted sub-indices for grocery items (13 percent), housing (29 percent), utilities (10 percent), transportation (9 percent), healthcare (4 percent), and miscellaneous goods and services (35 percent).

The Sierra Vista-Douglas Micropolitan Area's cost of living, as measured by the ACCRA index, has ranged from a low of 93.6 (interpreted as 93.6 percent of the national average cost of living) in the first quarter of 2003, to a high of 104.0 (interpreted as 104 percent of the national average) in the second quarter of 2004. In 2003, the Sierra Vista-Douglas Micropolitan Area's cost of living remained consistently below that of Tucson and Phoenix; however, this trend reversed itself in 2004. In the first three quarters of 2005, the gap between the cost of living in the Sierra Vista-Douglas Micropolitan Area, Tucson, and Phoenix narrowed, with the Sierra Vista-Douglas Micropolitan Area's cost of living remaining slightly higher, as measured by the ACCRA index.

Since 2003, the price of grocery items in the Sierra Vista-Douglas Micropolitan Area has been consistently higher than the national average, but this trend reversed itself in late 2004. The most recent ACCRA data, however, indicate grocery prices in the Sierra Vista-Douglas Micropolitan Area have increased relative to nationwide prices.

In 2003, housing costs in the Sierra Vista-Douglas Micropolitan Area were substantially lower than the national average, with the ACCRA index for housing ranging between 74.1 and 82.9. In 2004, this gap began to narrow, with the Sierra Vista-Douglas Micropolitan Area's housing component of the ACCRA index ranging from 95.5 to 98.3. In the first three quarters of 2005, the housing index for the Sierra Vista-Douglas Micropolitan Area ranged from 92.5 to 99.8.

Climate

Benson is at an elevation of 3,580 feet. The average monthly temperature ranges from an average low of 28 degrees Fahrenheit in December to an average high of 96 degrees Fahrenheit in June. The record low of -7 degrees Fahrenheit was observed in December 1978. The record high was

COST OF LIVING COMPARISONS, 2003-2005

	SIERRA VISTA DOUGLAS MICRO AREA	TUCSON	PHOENIX	FLAGSTAFF	YUMA	LAKE HAVASU
2003, 1st Quarter	93.6	97.5	97.1	106.7	100.0	*
2003, 2nd Quarter	96.5	96.5	98.5	106.1	*	*
2003, 3rd Quarter	95.8	94.9	97.2	107.0	*	99.5
2003, 4th Quarter	95.5	97.3	98.5	108.7	100.7	102.2
2004, 1st Quarter	98.0	96.1	98.7	109.5	*	103.1
2004, 2nd Quarter	104.0	98.1	99.0	106.9	99.3	107.0
2004, 3rd Quarter	100.7	95.0	99.2	111.5	98.4	106.7
2004, 4th Quarter	100.4	94.4	98.7	109.7	94.7	109.6
2005, 1st Quarter	98.7	96.2	96.8	107.3	94.1	106.2
2005, 2nd Quarter	100.5	96.6	96.9	109.3	98.7	107.1
2005, 3rd Quarter	98.0	97.4	99.0	*	98.0	106.6

* Data not available. **Note:** The average for all participating places nationwide equals 100, and each participant's index is read as a percentage of the average for all places. **Source:** ACCRA Cost of Living Index.

SIERRA VISTA-DOUGLAS MICRO AREA COST OF LIVING, 2005

	COMPOSITE INDEX	GROCERY ITEMS	HOUSING	UTILITIES	TRANS- PORTATION	HEALTH CARE	MISC. GOODS & SERVICES
1st Qtr	98.7	97.6	98.2	121.6	98.6	97.4	93.1
2nd Qtr	100.5	98.5	99.8	96.0	105.6	97.5	102.2
3rd Qtr	98.0	112.5	92.5	94.7	98.1	98.8	98.0

Note: The average for all participating places nationwide equals 100, and each participant's index is read as a percentage of the average for all places. **Source:** ACCRA Cost of Living Index.

BENSON WEATHER

	Average Temp		Mean Average	Average Precip (IN.)	Record High	Record Low
	High	Low				
Jan	63°F	29°F	46°F	1.05 in	84°F (1971)	6°F (1964)
Feb	67°F	32°F	49°F	0.58 in	90°F (1957)	10°F (1972)
Mar	71°F	36°F	54°F	0.53 in	93°F (1989)	12°F (1965)
Apr	79°F	41°F	60°F	0.26 in	98°F (1989)	18°F (1945)
May	87°F	49°F	68°F	0.24 in	105°F (1958)	26°F (1950)
Jun	96°F	58°F	77°F	0.51 in	111°F (1973)	33°F (1972)
Jul	95°F	65°F	80°F	3.49 in	110°F (1958)	37°F (1952)
Aug	93°F	64°F	78°F	3.16 in	107°F (1944)	48°F (1983)
Sep	90°F	57°F	74°F	1.73 in	105°F (1948)	35°F (1945)
Oct	81°F	46°F	64°F	1.34 in	99°F (1980)	20°F (1971)
Nov	71°F	33°F	52°F	0.50 in	90°F (1947)	12°F (1957)
Dec	63°F	28°F	46°F	0.82 in	84°F (1954)	-7°F (1978)

Source: The Weather Channel®.



DISTANCE TO MAJOR WESTERN CITIES

CITY	MILES
Agua Prieta, Mexico	88
Albuquerque, NM	544
Dallas, TX	894
Denver, CO	840
El Paso, TX	268
Flagstaff, AZ	301
Los Angeles, CA	564
Naco, Mexico	71
Phoenix, AZ	156
Salt Lake City, UT	980
San Diego, CA	458
San Francisco, CA	945
Tucson, AZ	45
Yuma, AZ	284

Source: Arizona Department of Commerce.

111 degrees Fahrenheit, observed in June 1973. The average monthly precipitation ranges from 0.24 inches in May to 3.49 inches in July.

Arizona Enterprise Zone Program

Benson is located in the Cochise County Enterprise Zone, currently in effect from January 1, 2004, through December 31, 2008. This zone also includes the communities of Bisbee, Douglas, Huachuca City, Tombstone, Willcox, and portions of Sierra Vista. Companies that locate to enterprise zones may be eligible to benefit from two tax incentive programs.

The Arizona Enterprise Zone program was enacted in 1989 and revised by subsequent legislation. The goal of the program is to improve the economies of areas in the state with high poverty or unemployment rates by enhancing opportunities for private investment. The program provides income tax credits for non-retail businesses creating new jobs in zones, and property reclassification for small manufacturers investing in a zone.

In 1993, property tax benefits were added to the program. In 1996, the program was revised to encourage the creation of quality jobs that paid a state-designated wage and for which employers paid 50 percent of health insurance costs. In 1998, the program was extended for three years. In 1999, legislation was passed to allow insurers to use credits to offset premium taxes. In 2001, the program was again extended, the investment threshold for small manufacturers in rural Arizona was lowered, and qualified companies were allowed to conduct up to 10 percent retail activity at the zone location. In 2002, the program was revised to strengthen the program's administrative procedures and help target the program more closely toward its purpose as an economic development tax incentive.

The enterprise zone program provides for an income and premium tax credit for net increases in qualified employment positions at a site located in the enterprise zone, except for those at a business location where more than 10 percent of the activity is the sale of tangible personal property at retail. Tax credits may total up to \$3,000 per qualified employment position over three years, for a maximum of 200 employees in any given tax year. A qualified employment position is a full-time permanent job (1,750 hours per year), pays an hourly wage above the "Wage Offer by County" (\$8.14 in 2006 for the Cochise County Enterprise Zone), and provides health insurance to employees for which the employer pays at least 50 percent.

The program also provides for property tax benefits in conjunction with property reclassification for qualified manufacturing businesses locating or expanding facilities in the enterprise zone. A manufacturer in an enterprise zone is eligible for an assessment ratio of 5 percent on all personal and real property (for primary tax purposes only) in the zone for five years if it is: (1) either minority-owned, woman-owned, or small (as defined by enterprise zone rules); and (2) makes an investment in fixed assets in the zone of \$500,000, \$1 million, or \$2 million, depending upon the location of the facility. For more information on the enterprise zone program, contact the Cochise County grants administrator at (520) 432-9742 or the Arizona Enterprise Zone administrator at (602) 771-1213.

Rural Economic Development Initiatives

Benson is an Arizona Rural Economic Development Initiatives (REDI) accredited community. In 1987, the Arizona legislature created the REDI program to promote economic development in rural areas and communities of the state. The Arizona REDI program provides direct assistance to rural communities in organizing an economic development program or effort, and evaluating community resources. The REDI program provides both technical and matching fund assistance.

As an Arizona REDI community, Benson receives on-site technical assistance from REDI staff. Assistance includes board and staff consultation on community and

economic development topics; intensive, day-to-day consultation when necessary; consultation during special projects; on-site consultant services for specific local economic development issues; strategic planning assistance; special strategy sessions; assistance in identifying education and training opportunities to reach economic development goals and objectives; workshops on timely economic development topics; evaluation of goals and activities to improve economic development effectiveness; community survey implementation and analysis assistance; reduced fees for various regional and statewide training workshops on current economic development practices and techniques; assistance in generating community interest and support for local community program goals; media releases on community programs and progress; and research provided through the statewide economic study.

Tax Rates

Privilege Tax. Sales (or privilege) tax rates in Benson vary based on the category of sale. City sales tax is added to a base of 6.1 percent, which includes county and state taxes, for most categories of sales. The general privilege tax rate in Benson is 2.5 percent, for a total (city, county, and state) tax of 8.6 percent. For retail sales on single items costing more than \$5,000, the city sales tax is reduced to 1 percent for a total tax rate of 7.1 percent. An additional tax of 2 percent is added to hotel/motel stays, for a total tax of 10.55 percent (Note: The state and county combined tax for hotel/motel stays is 6.05 percent). Construction contracting in the city is taxed at 4 percent for a total rate of 10.1 percent.

Property Tax. The combined total of all primary and secondary city, school district, county, state, and special district property taxes for property located in Benson is \$13.60 per \$100 assessed value. This is down from \$14.37 in 2004, due primarily to decreases in school district taxes and a lowering of the property tax levied by the City of Benson. Other contributors to the declining property tax rate were decreases in the statewide school and fire district assistance taxes.

Property taxes levied by the City of Benson, as of 2005, totaled \$0.6317 per \$100 of assessed value, the third-lowest level of the incorporated areas of Cochise County, behind only Sierra Vista and Willcox. School district taxes within the city totaled \$4.1772 in primary taxes and \$2.1726 in secondary taxes, for a combined total of \$6.3498 per \$100 of assessed value. In addition to property taxes levied by the city and school district, property in Benson is also subject to the following taxes per \$100 assessed value: Cochise County general government tax of \$2.9373; countywide library tax of \$0.1551; county flood control tax of \$0.2597; Cochise College tax of \$1.7868; Cochise Joint Technical District tax of \$0.05; San Pedro Valley Hospital tax of \$0.90; Arizona School District Assistance Tax of \$0.4358; and the Arizona Fire District Assistance Tax of \$0.0896.

In Arizona, assessed value is based on an assessment ratio of the property's value. The state uses the following assessment ratios:

24.5 percent: Mines and mining claim property, and standing timber; local telecommunications service, gas, water and electric utility company property; pipeline company property producing oil; gas property; commercial and industrial real property not included in other classes; and commercial and industrial personal property exceeding \$57,632 of full cash value.

21 percent: Railroad operating property, private car company property, and airline flight property.

16 percent: Agricultural real property, golf courses, and vacant land; and agricultural personal property exceeding \$57,632 of full cash value.

10 percent: Owner-occupied residential property; and leased or rented residential property.

5 percent: Noncommercial historic property, foreign trade zone property, qualifying military reuse zone property, qualifying enterprise zone property,

BENSON PRIVILEGE (SALES) TAX RATES, 2006

CATEGORY	COUNTY AND STATE	CITY OF BENSON	TOTAL
Privilege Tax	6.10%	2.5%	8.6%
Retail Tax (single item over \$5,000)	6.10%	1.0%	7.1%
Hotel/Motel	6.05%	2.5% + 2.0%	10.55%
Construction Contracting	6.10%	4.0%	10.1%

Source: Arizona Dept. of Revenue and Cochise College Center for Economic Research.

BENSON PROPERTY TAX RATES, 2005-2006 (PER \$100 ASSESSED VALUE)

DISTRICT	PRIMARY	SECONDARY	TOTAL
City of Benson	0.6317		0.6317
Benson Unified School District	4.1772	2.1726	6.3498
Cochise Joint Technical District		0.0500	0.0500
San Pedro Valley Hospital		0.9000	0.9000
Cochise County General Government*	2.9373		2.9373
Library*		0.1551	0.1551
Flood Control*		0.2597	0.2597
Cochise College*	1.7868		1.7868
Arizona School District Assistance Tax*	0.4358		0.4358
Arizona Fire District Assistance Tax*		0.0896	0.0896
Total	9.9688	3.6270	13.5958

*Rate applies to all property in Cochise County. Source: Cochise County Treasurer and Cochise College Center for Economic Research.

BENSON PUBLIC SCHOOLS

SCHOOL	2005 ENROLLMENT	ARIZONA LEARNS RATING*
Benson High School	340	Highly Performing
Benson Middle School	301	Performing Plus
Benson Primary School	316	Performing Plus
San Pedro Valley HS (Charter School)	40	Performing
TOTAL ENROLLMENT	997	

*2004-2005 school year. Source: Arizona Department of Education.

qualifying environmental technology property, and qualifying environmental remediation property.

Primary and Secondary Education

The Benson Unified School District (BUSD) consists of Benson Primary School, Benson Middle School, Benson High School, and the San Pedro Valley High School – a charter high school. San Pedro Valley High School is unique among charter schools in that it was chartered by BUSD.

Programs within the district include career and technical education, which is a program offered at Benson High School that provides students with the necessary career and technical skills to enter the workforce or advanced training/education upon graduation; service learning, which seeks to promote student learning through experiences with volunteerism or community service; and D.A.R.E., which teaches students how to recognize and resist the direct and subtle pressures that influence them to experiment with alcohol, tobacco, marijuana and other drugs.

District-wide enrollment has been on the decline in recent years. The district’s average daily membership (ADM) declined from a high of 1,225 in 2002 to 903 in 2005. Most of the decline has occurred at the primary and middle schools. At the high school level, there has been a shift of some students from Benson High School to the San Pedro Valley High School, which opened in 2004; but the combined ADM of the district’s two high schools has remained relatively stable.

Arizona Learns, a program within the Arizona Department of Education, evaluates each Arizona school and assigns a rating with respect to the school’s ability to meet or exceed the Arizona Standards of Education. The ratings include: excelling, highly performing, performing plus, performing, and underperforming. Ratings are issued each fall term for the previous year.

BUSD schools were rated as follows for the 2004-2005 school year: Benson High School, highly performing; Benson Middle School, performing plus; Benson Primary School, performing plus; San Pedro Valley (Charter) High School, performing. Based on its Arizona Learns rating, Benson High School ranks in the 85.98 percentile of all high schools in the State of Arizona. Compared to other Arizona high schools with enrollment between 196 and 457 students – referred to as 2A conference high schools – Benson High School ranks in the 95.45 percentile based on its Arizona Learns profile. Benson High School was the only 2A conference high school in the state to receive a rating of highly performing in the 2004-2005 school year.

Post-Secondary Educational Opportunities

Cochise College. Cochise College, a comprehensive “learning community” college, provides high-quality learning opportunities by offering a diverse curriculum in general education and liberal arts, direct employment programs, and various community courses and events that provide educational, cultural, and recreational services beyond formalized classroom instruction.

Cochise College opened its doors in 1964 as one of the first community colleges in Arizona. A 1962 bond election resulted in the construction of the Douglas Campus, a 540-acre facility featuring unique architecture and panoramic views of the Mule and Chiricahua Mountains, as well as neighboring Sonora, Mexico.

Cochise College Benson Center.
Photo courtesy of CER Staff.



The college now offers classes in Benson, Bisbee, Douglas, Fort Huachuca, Sierra Vista, Willcox and outlying areas. Classes also are offered online and in Nogales in neighboring Santa Cruz County.

Cochise College began offering evening classes in Benson at Benson High School in 1967. In 1998, after Benson residents lobbied the state capitol, House Bill 2505 provided \$1 million over a two-year period to support construction of the 13,000-square-foot Cochise College Benson Center. The Benson Center opened in August 2000 and has two computer labs, a virtual library, four articulated classrooms that together can accommodate up to 200 students, a distance learning classroom, and a science lab/art room. The center serves students with traditional college courses, adult education, and personal interest classes. A full-time staff provides placement assessment, GED testing, advising, admissions, registration and financial aid.

In the 2006 spring semester, 138 students were enrolled in 15 face-to-face classes at the Benson Center. Another 31 students were enrolled in interactive television classes broadcast to the center from the college's Douglas and Sierra Vista campuses. Adult Education served 50 students in the Benson area in 2004-2005. In 2004-2005, the Benson Center filled five classes in American Sign Language.

In the spring of 2005, the Benson Center collaborated with the Willcox Center to offer an EMT course that drew 20 students from the region. The course is offered through a partnership with Healthcare Innovations, Inc. Foundation, which in the spring semester sponsored scholarships totaling more than \$13,000 for books, tuition, and fees.

In conjunction with the Tech Prep/Compact program, the Benson Center in 2005 offered nursing assistant courses at a reduced cost to students at Benson High School and St. David High School.

The Benson Center has designated space to provide computer training to area businesses and has partnered with Southeast Arizona Behavioral Health Services to provide work-related coursework for employees. Cochise College has offered CISCO certification training for the high school technology district and adult learners. In 2004-2005, the Benson Center hosted 78 community events drawing 1,695 participants. The Benson Center has hosted several arts and cultural events for the community, including an exhibit of lithographs and serigraphs by Ted DeGrazia.

The development of community-directed college programs and services district-wide has included Workforce Training and Community Education, the Small Business Development Center, the Career Services Center, the Online Campus, the Prison Education Program, Adult Education, and the Center for Economic Research. Cochise College continues to provide quality educational opportunities to the people of Cochise County and specific populations in the southwestern United States.

Cochise College is accredited by the Higher Learning Commission of the North Central Association. To learn more about Cochise College, visit the website at www.cochise.edu.

University of Arizona South. The Tucson campus of the University of Arizona established UA South in Sierra Vista, an official branch campus of the university, as part of its land grant mission to serve the citizens of the State of Arizona. The mission of UA South is to provide quality liberal arts and professional instruction as a branch campus of the University of Arizona that allows the citizens of the state, and primarily Cochise County, to obtain degrees and develop fully their intellectual and professional capabilities, as well as gain an appreciation of diversity; to enrich instruction through the integration of technology in resident and distance learning programs; and to foster regional economic development and provide expertise for generating solutions to community problems through the education and public service activities of faculty, staff, and students.

UA South offers upper-division courses for students to complete undergraduate degree programs in cooperation with Cochise College and other Arizona community



Cochise College Benson Center. Photo courtesy of CER Staff.

colleges, often referred to as "2 + 2." Graduate degrees are also offered in select disciplines. UA South is a commuter campus with schedules designed to accommodate working adults and returning students. Throughout Arizona, students may also take advantage of UA South courses available online. For more information, visit UA South's website at www.uas.arizona.edu

Crime Rate

The crime rate in Benson in 2004 – the most recent data available – was 45.8 crimes per 1,000 population, significantly below the statewide crime rate of 58.4. Although Benson's crime rate increased steadily between 2001 and 2004, the year 2004 saw the slowest rate of increase since the beginning of the new millennium. The crime rate reflects data reported in the Federal Bureau of Investigation's (FBI) Uniform Crime Report and includes violent crimes (murder and non-negligent manslaughter, forcible rape, robbery, and aggravated assault), property crimes (burglary, larceny-theft, and motor vehicle theft), and arson, which is reported separately. The crime index measures only crimes that are reported to local law enforcement agencies.

Healthcare

Benson Hospital celebrated its 35th anniversary on July 15, 2005. Benson Hospital began as a small community hospital meeting the needs of patients in the area. Today, the majority of the hospital's business is conducted through its emergency room, due in large part to the hospital's location near the junction of Interstate 10 and state routes 80 and 90. With the influx of hundreds of winter visitors and many new permanent residents, outpatient use in laboratory, radiology and rehabilitation has also increased dramatically in recent years.

The staff at the Benson Hospital includes seven local physicians, a family nurse practitioner, and specialists in cardiology, obstetrics, mammography, rehabilitation, podiatry, and hearing who see patients on specified days. The staff at the hospital includes technologists, technicians, and phlebotomists, all certified in their individual specialties.

The Benson hospital provides 24-hour emergency care. The emergency physician and nursing staff are specially trained to provide emergency trauma, cardiac, and respiratory care. Based on the needs of the patient, a quick transfer can be made to nearby facilities.

BENSON CRIME RATE, 2001-2004 (PER 1,000 POPULATION)

2001.....	36.3
2002.....	38.8
2003.....	44.1
2004.....	45.8

Source: Federal Bureau of Investigation, Uniform Crime Reports; Arizona Department of Economic Security; and Cochise College Center for Economic Research.

CRIME RATE, 2004 (PER 1,000 POPULATION)

LOCATION	POPULATION	VIOLENT CRIME	PROPERTY CRIME	ARSON	TOTAL CRIME	CRIME RATE (PER 1,000 POPULATION)
United States	293,655,404	1,367,009	10,328,255	*	11,695,264	39.8
Arizona	5,743,835	28,952	306,747	*	335,699	58.4
Cochise County	130,220	916	4,343	24	5,283	**41.1
Benson	4,785	11	208	0	219	45.8
Bisbee	6,390	25	360	1	386	60.4
Douglas	16,740	34	698	1	733	43.8
Huachuca City	1,830	6	13	1	20	10.9
Sierra Vista	42,805	123	1,492	5	1,620	37.8
Tombstone	1,595	*	*	*	*	*
Willcox	3,875	5	296	0	301	77.7
Unincorporated Areas	52,200	712	1,276	16	2,004	38.4

*Data not available. ** Estimated by the Cochise College Center for Economic Research based on reporting for all areas except Tombstone. Source: Federal Bureau of Investigation, Uniform Crime Reports; Arizona Department of Economic Security; and Cochise College Center for Economic Research.

Ground has been broken and construction is underway for the new emergency department. It will expand to accommodate 12 beds, secured admitting, CT scans, an isolation room with separate entrance, and an urgent care unit.

Benson Hospital inpatient services include acute care, skilled nursing, swing beds, long-term respite, hospice care, and inpatient drug therapy. Comprehensive laboratory and radiology services are offered, as well as nutritional consultations. Rehabilitation services are available on site.

The Benson Hospital has 22 acute-care beds, including four equipped with cardiac monitors. The most common diagnoses treated are cardiac and respiratory. In addition to acute care, the hospital provides services for patients who are in need of long-term or respite care. Many of these patients receive rehabilitation following orthopedic surgery. Comprehensive, on-site laboratory and radiology services provide fast test results for emergencies, outpatients, and inpatients. Comprehensive services provide test results to physicians quickly so that treatment can be initiated without delay. Reports can be faxed to healthcare providers in other communities within or outside the state. The hospital's comprehensive services include CT scans.

The hospital offers physical, occupational, and speech therapy to restore normal function, improve mobility, and help patients achieve a greater degree of independence. This care is provided in a variety of settings, including at the hospital, nursing homes, patient homes, and work sites in Benson and surrounding areas.

Occupational therapists at the hospital use functional activities, such as dressing, personal hygiene, and leisure interests, to help patients achieve the highest level of independence in activities of daily living, as well as therapeutic exercise and modalities. Occupational therapists also treat a variety of upper extremity disorders and provide splinting services.

Speech/Language pathologists at the hospital use a wide range of language activities to treat communication disorders and evaluate swallowing disorders.

The Benson Hospital laboratory is staffed and equipped to offer state-of-the-art laboratory technology to residents of the San Pedro Valley and beyond. This includes testing in the areas of chemistry, blood banking and transfusion services, hematology, urinalysis, coagulation, toxicology, therapeutic drug monitoring, and limited microbiology. Testing that is not done at the hospital is collected and forwarded to an appropriate reference laboratory facility. The Benson Hospital laboratory is certified and licensed by the State of Arizona as a full-service laboratory and is inspected for compliance by the Division of Laboratory Licensure. Laboratory licensure is monitored by the Clinical Laboratory Improvement Act department of the federal government. Physicians are notified of laboratory results by phone or by fax, making it possible to serve the needs of patients who come from other areas, including winter visitors. Most laboratory tests are done within one to two hours of specimen collection. The hospital strives to have emergency lab results available within one hour.

The Benson Hospital also provides a wide variety of outpatient services, including chemotherapy, IV antibiotics, injections, and EKGs. Outpatient programs include cardiology, podiatry, women's health, and hearing tests. Free blood pressure tests are given at the nurses' station.

The Benson Hospital nutritional services department assists patients in meeting nutritional needs and goals. Each patient admitted to the hospital is assessed by the department, and an individual diet plan is developed. Patients are reassessed throughout their hospital stay, and the diet plan is updated as needed. Outpatients who would like help in developing a healthy diet plan can ask for a referral from their primary care physician. The department provides nutritional assessment, assessment of food/drug interactions, lab value monitors to provide screening information to assess the nutritional status of patients, special needs, and patient education by a registered dietitian on a wide range of nutritional topics to promote healthy lifestyle changes. To learn more about the Benson Hospital, visit the hospital's website at www.bensonhospital.org.



Super 8 Motel in Benson; Benson is home to 7 motels, 18 mobile home/RV parks, and 10 Bed and Breakfast establishments. Photo courtesy of CER Staff.

Demographics



A look inside The Cowboy Way, a downtown East 4th Street Benson store, offering a variety of novelty items and scrap booking supplies. Photo courtesy of CER Staff.

Population Estimates and Projections

The population of Benson as of July 2005 was 4,740, according to estimates by the Arizona Department of Economic Security (DES). This represents a 0.7 percent decrease from 2004 and 0.6 percent population growth since Census 2000. Between 2001 and 2005, the city's average annual population growth rate was 0.1 percent, the slowest rate of growth of the seven incorporated places in Cochise County. Benson was one of only two incorporated places in the county to experience negative population growth in 2005, according to DES estimates (Bisbee was the other).

According to the U.S. Census Bureau, Benson's population grew by 23.2 percent during the 1990s, outpacing growth in Cochise County as a whole, which grew at 20.6 percent. The State of Arizona experienced rapid population growth of 40 percent during the 1990s.

In 2005, Benson ranked as the 56th largest incorporated sub-county area of 88 areas statewide. Based on its population growth rate since Census 2000, Benson ranked as the 78th fastest-growing, incorporated sub-county area of the 88 areas.

With much recent interest in the area by developers, and the resumption of construction in the Whetstone Ranch area of the city, there will likely be a shift in Benson's recent population growth trend in coming years. Developers have looked to Tucson and Fort Huachuca to provide a market for new homes built in the Benson area. The current vision presents Benson as a vital link between Sierra Vista/Fort Huachuca to the south and Tucson to the west.

Of the county's seven incorporated places, forecasting population growth in Benson poses the biggest challenge due to uncertainty over the

POPULATION COMPARISONS, 1990-2004

	BENSON		COUNTY		ARIZONA	
	POPULATION	GROWTH	POPULATION	GROWTH	POPULATION	GROWTH
1990	3,824	--	97,624	--	3,665,228	--
2000	4,711	23.2%*	117,755	20.6%*	5,130,632	40.0%*
2001	4,735	0.5%	120,845	2.6%	5,319,785	3.7%
2002	4,745	0.2%	123,945	2.6%	5,470,720	2.8%
2003	4,775	0.6%	125,430	1.2%	5,642,725	3.1%
2004	4,775	0.0%	129,600	3.3%	5,845,250	3.6%
2005	4,740	-0.7%	131,790	1.7%	6,044,985	3.4%

*Indicates total growth over the period 1990-2000. Source: Figures for 1990 and 2000 obtained from the U.S. Census Bureau. Figures for 2001-2005 are estimates provided by the Arizona Department of Economic Security.

pace of future construction in the city. There are currently more than 20,000 homes planned to be built in the city over the next two decades. But the pace with which this construction proceeds will depend on a variety of factors. One factor is the status of other large-scale development projects planned for the unincorporated areas surrounding Benson, such as the 4,500 homes planned for Smith Ranch by Diamond Ventures, a Tucson-based developer. Rising long-term interest rates and home prices also make the future pace of development uncertain.

Time-series forecasting methods indicate a decline in Benson's population in the coming years. But as mentioned above, the trend seen in recent years is likely to change significantly, beginning sometime between 2006 and 2008. Based on this anticipated change, the Cochise College Center for Economic Research (CER) forecasts Benson's population will increase by an average of 1.9 percent annually between 2006 and 2008, roughly the same pace as Cochise County as a whole. After 2008, the rate of growth is likely to pick up considerably.

As mentioned, there is much uncertainty over the rate of population growth in Benson in the coming years. For comparison purposes, a 2005 study conducted by Applied Economics, an economic consulting firm based in Phoenix, projected the population in the Benson area, including the unincorporated county areas outside the city limits, would increase by 17.3 percent between 2005 and 2010, and 69.2 percent between 2005 and 2015. Other demographic forecasters, using a housing unit methodology, have projected the city's population will more than quadruple between 2006 and 2015.

Based on the CER's more conservative projections, which forecast Benson's population to grow at approximately the same rate as Cochise County's population over the next few years, Benson's population will reach 5,059 in 2008. Cochise County's population is projected to reach 141,182 by 2008 and 162,667 by 2015, if recent trends continue.

Race and Ethnicity

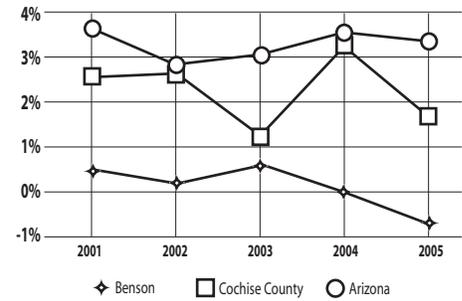
In 2000, according to the U.S. Census Bureau, approximately 19.8 percent of Benson's population was Hispanic or Latino (of any race) compared to a 30.7-percent Hispanic/Latino population for all of Cochise County, and a 25.3-percent Hispanic/Latino population statewide. The CER estimates that, in 2006, Hispanics/Latinos comprise 18.7 percent of Benson's population. If recent trends continue, the Hispanic/Latino population in Benson is projected to decline to 18.3 percent in 2008. (Note: The U.S. Census Bureau considers Hispanic an ethnicity, not a race; thus, there is no separate racial classification for Hispanics. According to the Census Bureau, people identifying themselves as Hispanic may be of any race.)

According to the U.S. Census Bureau, Benson's population in 2000 was 89.3 percent White; 0.7 percent Black or African American; 1.3 percent American Indian or Alaska Native; 0.6 percent Asian or Pacific Islander; and 8.1 percent other (including two or more races combined). Based on a continuation of trends between 1990 and 2000, the CER estimates that in 2006 the racial composition of Benson is 84.7 percent White; 0.9 percent Black or African American; 1.5 percent American Indian or Alaska Native; 0.7 percent Asian or Pacific Islander; and 12.1 percent other (including two or more races combined).

The largest changes in Benson's racial composition in recent years have occurred in the segment of the population classifying itself as "other," which has increased significantly; and the segment of the population classifying itself as White, which has decreased significantly. It is important to note that shifts in the racial composition of Benson do not necessarily represent changing demographics alone, but may include differences in how residents choose to classify themselves.

If recent trends continue, in 2008 Benson's racial composition will be 83.2 percent White; 1 percent Black or African American; 1.6 percent American Indian or

POPULATION GROWTH COMPARISONS 2001 - 2005



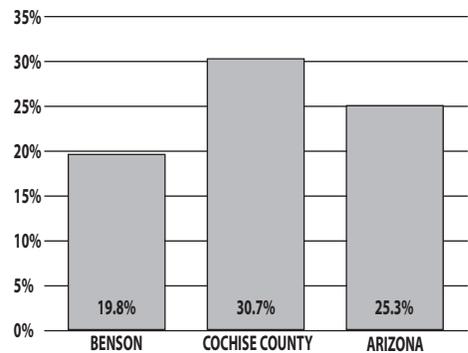
Source: Arizona Department of Economic Security and Cochise College Center for Economic Research.

POPULATION ESTIMATES AND PROJECTIONS, 2006-2008

YEAR	BENSON	COCHISE COUNTY
2006.....	4,861	135,044
2007.....	4,960	138,113
2008.....	5,059	141,182

Note: Estimates and projections by the Cochise College Center for Economic Research using U.S. Census data for 1990 and 2000, and Arizona Department of Economic Security mid-year population estimates for 2001 through 2005.

HISPANIC/LATINO POPULATION, 2000



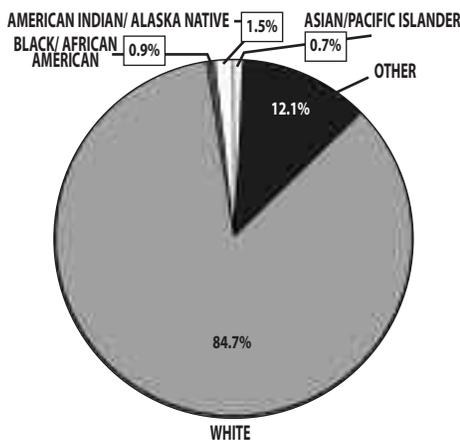
Note: The U.S. Census Bureau considers Hispanic an ethnicity, not a race; thus, there is no separate racial classification for Hispanic. According to the Census Bureau, people identifying themselves as Hispanic may be of any race. Source: U.S. Census Bureau and Cochise College Center for Economic Research.

BENSON HISPANIC/LATINO POPULATION, ESTIMATES AND PROJECTIONS, 2006-2008

YEAR	HISPANIC OR LATINO (OF ANY RACE) PERCENT OF TOTAL POPULATION	HISPANIC OR LATINO NUMBER
2006	18.7%	909
2007	18.5%	918
2008	18.3%	926

Note: Estimates and projections by the Cochise College Center for Economic Research using U.S. Census data for 1990 and 2000, and Arizona Department of Economic Security mid-year population estimates for 2001 through 2005. The U.S. Census Bureau considers Hispanic an ethnicity, not a race; thus, there is no separate racial classification for Hispanic. According to the Census Bureau, people identifying themselves as Hispanic may be of any race.

BENSON RACIAL GROUP ESTIMATES, 2006



Note: Estimates by the Cochise College Center for Economic Research using U.S. Census data for 1990 and 2000, and Arizona Department of Economic Security mid-year population estimates for 2001 through 2005. The U.S. Census Bureau considers Hispanic an ethnicity, not a race; thus, there is no separate racial classification for Hispanic. According to the Census Bureau, people identifying themselves as Hispanic may be of any race.

Alaska Native; 0.8 percent Asian or Pacific Islander; and 13.4 percent other (including two or more races combined). The fastest-growing racial group in Benson between 2006 and 2008 is projected to be the group classifying themselves as “other” (including two or more races combined), projected to grow by 15.5 percent. The slowest growing racial group is projected to be the group classifying themselves as White, projected to grow by 2.2 percent by 2008.

Language Spoken at Home

In 2000, approximately 83.1 percent of Benson’s population aged 5 years and older resided in homes where English was the only language spoken, compared to 70.5 percent countywide and 74.1 percent statewide. Of those who spoke a language other than English, 29.8 percent reported they spoke English less than “very well.”

Of those residing in homes where a language other than English was spoken, 91.3 percent also spoke Spanish in 2000. Of Spanish speakers, 30.1 percent reported they spoke English less than “very well.”

Based on a continuation of trends between 1990 and 2000, the CER estimates that in 2006, approximately 84.3 percent of the population aged 5 years and older reside in homes where English is the only language spoken, up slightly from the 2000 figures. Of those who speak a language other than English, the CER estimates that in 2006, approximately 35.9 percent speak English less than “very well,” up considerably from 2000.

Of those residing in homes where a language other than English is spoken, it is estimated that in 2006, approximately 92.6 percent also speak Spanish, up slightly from the 2000 figures. Of those who speak Spanish at home, the CER estimates that 34.7 percent speak English less than “very well,” up 4.6 percentage points since 2000.

Thus, the recent trend in Benson has been toward an increasing share of the population speaking only English at home. Of those speaking a language other than English, an increasing number also speak Spanish. Among Spanish speakers, there has been a declining level of mastery of the English language.

If recent trends continue, the CER projects that in 2008, the percentage of the population aged 5 years and older who will reside in homes where English is the only language spoken will increase to 84.7. Of those speaking a language other than English at home, the CER projects those speaking English less than “very well” will increase to 37.9 percent.

Of those who reside in homes where a language other than English is spoken, it is estimated that 92.8 percent will also speak Spanish in 2008, up slightly from current estimates. Of those who speak Spanish at home, the CER estimates that 36.5 percent will speak English less than “very well,” up considerably from current estimates.

BENSON POPULATION BY RACE, ESTIMATES AND PROJECTIONS, 2006-2008

	WHITE	BLACK OR AFRICAN AMERICAN	NATIVE AMERICAN INDIAN/ALASKA NATIVE	ASIAN OR PACIFIC ISLANDER	OTHER	TOTAL
2006	4,119	46	75	35	586	4,861
	84.7%	0.9%	1.5%	0.7%	12.1%	
2007	4,165	49	78	37	631	4,960
	84.0%	1.0%	1.6%	0.7%	12.7%	
2008	4,210	52	82	38	677	5,059
	83.2%	1.0%	1.6%	0.8%	13.4%	

Note: Estimates and projections by the Cochise College Center for Economic Research using U.S. Census data for 1990 and 2000, and Arizona Department of Economic Security mid-year population estimates for 2001 through 2005. The U.S. Census Bureau considers Hispanic an ethnicity, not a race; thus, there is no separate racial classification for Hispanic. According to the Census Bureau, people identifying themselves as Hispanic may be of any race.

Gender and Age

Benson’s population, as of Census 2000, was 51.1 percent female and 48.9 percent male. This represents a narrowing of the gap between males and females from 1990, when Benson’s population was 52 percent female and 48 percent male.

According to Census 2000, the median age of the city’s population that year was 49.6 years, considerably higher than the median age of 36.9 years for Cochise County and 34.2 years statewide.

In 2000, 80.5 percent of Benson’s population was aged 18 years and older; 34.4 percent was aged 62 years or older; and 29.3 percent was aged 65 years or older.

Based on recent trends, the CER estimates that in 2006, Benson’s largest age group is aged 65 to 74 years, comprising 16.9 percent of the city’s population. The next largest age group, according to CER estimates, is 25 to 44 years, comprising 16.3 percent of the city’s population.



A view down 4th Street entering Benson just off I-10.
Photo courtesy of CER Staff.

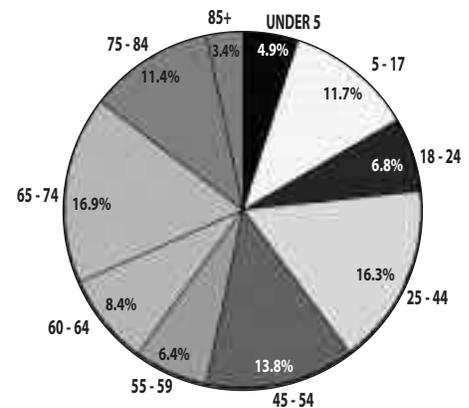
BENSON LANGUAGE SPOKEN AT HOME ESTIMATES AND PROJECTIONS, 2006-2008 (PERSONS 5 YEARS AND OLDER)

	2006	2007	2008
English Only	3,895	3,987	4,078
Language other than English	725	731	737
Do not speak English very well	260	270	279
Speak Spanish	671	677	684
Do not speak English very well	234	242	250

Note: Estimates and projections by the Cochise College Center for Economic Research using U.S. Census data for 1990 and 2000, and Arizona Department of Economic Security mid-year population estimates for 2001 through 2004.

If recent trends continue, the CER estimates that in 2008, the three largest age groups will be 65 to 74 years (17.1 percent of the population); 25 to 44 years (15.7 percent of the population); and 45 to 54 years (14.2 percent of the population). The three fastest-growing age groups between 2006 and 2008 are projected to be 85 years and older (projected to grow by 9.6 percent); 75 to 84 years (projected to grow by 8.3 percent), and 45 to 54 years (projected to grow by 7.5 percent).

BENSON'S AGE GROUP ESTIMATES, 2006



Note: Estimates by the Cochise College Center for Economic Research using U.S. Census data for 1990 and 2000, and Arizona Department of Economic Security mid-year population estimates for 2001 through 2005.

Household Characteristics

According to Census 2000, the average Benson household size that year was 2.22 persons, down from 2.37 in 1990. Based on a continuation of this trend, the CER estimates the average household size in 2006 was 2.13. The declining household size in Benson is attributable to the growing population of those aged 55 and older, who tend to have smaller household sizes.

Of total Benson households, 64.6 percent were classified as family households as of Census 2000. A total of 22.9 percent of households had individuals under the age of 18, and 45.3 percent had individuals aged 65 years and older. A total of 4.5 percent

of Benson households were headed by single mothers of children under the age of 18, compared to 7.1 percent countywide and 6.8 percent statewide.

Of Benson's population aged 15 years and older, 58.6 percent were married (excluding those who were separated), 1.4 percent were separated, 13.6 percent were divorced, 11.7 percent were widowed, and 14.7 percent had never been married as of Census 2000.

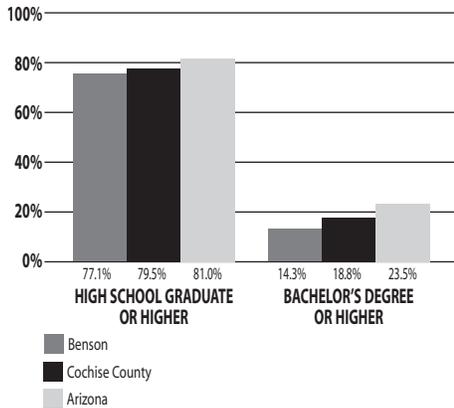
According to the U.S. Census Bureau, as of 2000 approximately 47 percent of Benson's

BENSON POPULATION BY AGE GROUP, ESTIMATES AND PROJECTIONS, 2006-2008

	Under 5	5 to 17	18 to 24	25 to 44	45 to 54	55 to 59	60 to 64	65 to 74	75 to 84	85+	Total
2006	240	568	330	790	670	312	407	823	553	167	4,861
	4.9%	11.7%	6.8%	16.3%	13.8%	6.4%	8.4%	16.9%	11.4%	3.4%	
2007	242	558	338	792	695	322	417	845	576	175	4,960
	4.9%	11.3%	6.8%	16.0%	14.0%	6.5%	8.4%	17.0%	11.6%	3.5%	
2008	244	548	346	793	720	332	427	866	599	183	5,059
	4.8%	10.8%	6.8%	15.7%	14.2%	6.6%	8.4%	17.1%	11.8%	3.6%	

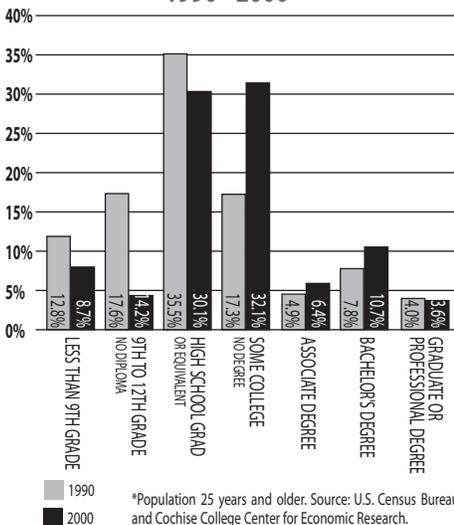
Note: Estimates and projections by the Cochise College Center for Economic Research using U.S. Census data for 1990 and 2000, and Arizona Department of Economic Security mid-year population estimates for 2001 through 2005.

2000 EDUCATIONAL ATTAINMENT COMPARISONS*



*Population 25 years and older. Source: U.S. Census Bureau and Cochise College Center for Economic Research.

BENSON EDUCATIONAL ATTAINMENT, 1990 - 2000*



*Population 25 years and older. Source: U.S. Census Bureau and Cochise College Center for Economic Research.

BENSON EDUCATIONAL ATTAINMENT, ESTIMATES AND PROJECTIONS, 2006-2008

YEAR	PERCENT HIGH SCHOOL GRADUATE OR HIGHER	PERCENT BACHELOR'S DEGREE OR HIGHER
2006	81.7%	15.8%
2007	82.4%	16.1%
2008	83.2%	16.3%

Note: Population 25 years and over. Estimates and projections by the Cochise College Center for Economic Research using U.S. Census data for 1990 and 2000.

BENSON CIVILIAN VETERANS OF THE MILITARY, ESTIMATES AND PROJECTIONS, 2006-2008

YEAR	CIVILIAN VETERANS OF THE MILITARY	PERCENT OF POPULATION AGED 18 YEARS AND OLDER
2006	855	21.1%
2007	863	20.8%
2008	870	20.4%

Note: Estimates and projections by the Cochise College Center for Economic Research using U.S. Census data for 1990 and 2000, and Arizona Department of Economic Security mid-year population estimates for 2001 through 2004.

population aged 5 years and older had resided in the same house for at least five years. Approximately 26 percent of Benson's population aged 5 years and older had relocated to the city within the previous five years from outside Cochise County.

Educational Attainment

Of Benson's population aged 25 years and older, 77.1 percent had at least a high school diploma or equivalent as of Census 2000, compared to 79.5 percent countywide and 81 percent statewide. Approximately 14.3 percent of Benson residents held a bachelor's degree or higher in 2000, compared to 18.8 percent at the county level and 23.5 percent statewide.

Between 1990 and 2000, according to U.S. Census Bureau data, the number of Benson residents with less than a ninth-grade education decreased from 12.8 to 8.7 percent of the city's population aged 25 years and older. At the same time, the number of city residents with a ninth- to 12th-grade education, but without a high school diploma, dropped from 17.6 to 4.2 percent; the number of high school graduates (or equivalent) decreased from 35.5 to 30.1 percent; while the number of residents with some college, but no degree, nearly doubled, increasing from 17.3 to 32.1 percent. The number of residents with an associate's degree increased from 4.9 to 6.4 percent of the city's population aged 25 years and older; the number of residents with a bachelor's degree increased from 7.8 to 10.7 percent; and the number of residents with a graduate or professional degree declined slightly from 4.0 to 3.6 percent. (Note: The education levels shown represent the highest level attained.)

Based on trends between 1990 and 2000, the CER estimates that in 2006, approximately 81.7 percent of Benson's population aged 25 years and older have attained a high school diploma or higher and 15.8 percent have attained a bachelor's degree or higher. If the trend continues, in 2008 the number of residents having earned a high school diploma or higher will have increased to 83.2 percent of the population aged 25 years and older, and the number of residents having earned a bachelor's degree or higher will have increased to 16.3 percent.

Thus, the overall trend in the educational attainment of Benson's residents has been toward higher levels of education, with most of the increase occurring in the number of residents having earned some college credit, but no degree.

Military Veterans

Between Censuses 1990 and 2000, the number of Benson residents who were civilian veterans of the military increased from 774 to 905. However, as a percentage of the city's population aged 18 years and older, civilian veterans of the military declined from 26.7 to 23.2 percent. Based on recent trends, the CER estimates that in 2006, there are 855 civilian veterans of the military residing in Benson, or 21.1 percent of the city's population aged 18 years and older. If the trend continues, this number will reach 870 by the year 2008, while decreasing to 20.4 percent of the civilian population aged 18 years and older.

The number of civilian veterans in the area is important to housing market analysis, since most veterans finance their homes using Veterans Administration (VA) guaranteed loans. This leads to higher rates of home ownership among veterans, but also decreases the level of affordability of homes as determined by qualifying income ratios. This is because VA loans are guaranteed without the traditional 20 percent down payment, which means affordability is based on 100 percent of the home price rather than 80 percent. Thus, affordable housing for this segment of the population is generally lower than for the non-veteran population, other things being equal. For more on this topic, see the Housing and Real Estate section of this publication.



Employment

Workers setting the foundation for one of the many construction sites in the Benson area.
Photo courtesy of CER Staff.

Employment, Unemployment, Labor Force, and Job Growth

In 2005, Benson's unemployment rate averaged 8.8 percent, according to estimates by the Cochise College Center for Economic Research (CER). This was considerably above the countywide rate of 4.9 percent and the statewide rate of 4.7 percent, as estimated by the Arizona Department of Economic Security (DES). Nationwide, the unemployment rate for 2005 averaged 5.1 percent. Benson's unemployment rate in 2005 was down two-tenths of a percentage point from 9 percent a year prior and represents the lowest rate the city had seen since 2001.

In the first quarter of 2006 (January through March), Benson's seasonally adjusted unemployment rate was 8.6 percent. In the first three months of 2006, the city saw a steady decline in unemployment, with the seasonally adjusted unemployment rate falling from 9.3 percent in January to 8.6 percent in February and 7.8 percent in March. (Note: Historically, the CER has reported DES employment estimates in this publication for sub-county areas; however, as of the date of this publication, DES had not yet released these figures for 2005 and later. In the absence of this data, the CER has prepared sub-county estimates using a Census share model similar to that used by DES).

It is important to note that Benson's month-to-month unemployment rate reflects seasonal patterns evident in employment data for most localities. The trend in Benson has been for higher-than-average unemployment rates to prevail in January, February, March, June, July, and August, while lower-than-average rates prevail in April, May, September, October, November, and December.

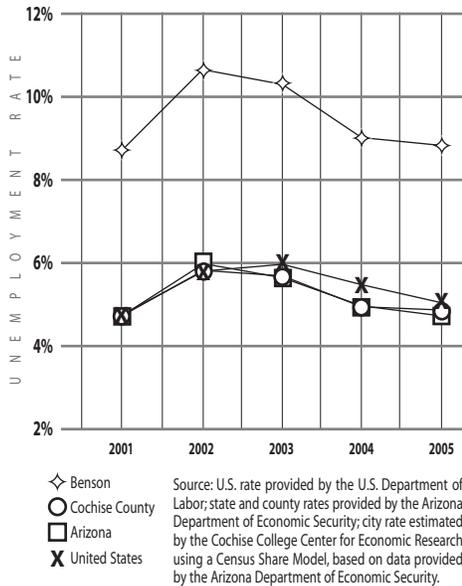
According to CER estimates, Benson's civilian labor force in 2005 consisted of 2,333 potential workers, of which 2,128 were actually employed. The civilian labor force consists of those persons aged 16 years and older who either are employed or are actively seeking work and excludes active-duty military personnel. Countywide, the

ANNUAL UNEMPLOYMENT RATE COMPARISONS, 2001-2005

	BENSON	COCHISE COUNTY	ARIZONA	UNITED STATES
2001	8.7%	4.9%	4.7%	4.7%
2002	10.6%	5.9%	6.1%	5.8%
2003	10.3%	5.7%	5.7%	6.0%
2004	9.0%	5.0%	5.0%	5.5%
2005	8.8%	4.9%	4.7%	5.1%

Source: U.S. rate provided by the U.S. Department of Labor; state and county rates provided by the Arizona Department of Economic Security; city rate estimated by the Cochise College Center for Economic Research using a Census Share Model, based on data provided by the Arizona Department of Economic Security.

UNEMPLOYMENT COMPARISONS, 2001-2005



BENSON MONTHLY UNADJUSTED AND SEASONALLY ADJUSTED UNEMPLOYMENT RATES, 2004-2006

	UNADJUSTED RATE	SEASONALLY ADJUSTED RATE
2004		
January	10.3%	9.8%
February	9.4%	9.1%
March	9.6%	9.4%
April	9.2%	9.4%
May	8.6%	9.1%
June	9.1%	8.8%
July	9.3%	8.8%
August	9.0%	8.8%
September	9.0%	9.1%
October	8.5%	8.7%
November	7.9%	8.4%
December	7.7%	8.4%
2005		
January	8.6%	8.1%
February	8.9%	8.5%
March	8.9%	8.6%
April	8.5%	8.5%
May	8.1%	8.6%
June	8.9%	8.5%
July	9.3%	8.7%
August	9.1%	8.8%
September	9.5%	9.5%
October	9.0%	9.2%
November	8.5%	9.1%
December	8.3%	9.1%
2006		
January	10.0%	9.3%
February	8.9%	8.6%
March	8.2%	7.8%

Source: Estimated by the Cochise College Center for Economic Research using a Census Share Model and data provided by the Arizona Department of Economic Security.

2005 civilian labor force, according to DES estimates, comprised 55,650 actual or potential workers, of which 52,925 were employed.

According to CER estimates, job growth in Benson for 2005 was 3.2 percent, reflecting the creation of 65 new jobs over the year. Between 2003 and 2005, the average annual job growth rate in Benson was 3 percent. Most of the job growth in 2005 occurred in professional and business services and construction. While rising interest rates present a continued threat to local job growth, much of the slowdown that would normally be expected should continue to be offset by a strong demand for residential construction in the northwest corner of Cochise County.

Occupations and Classes of Workers

Occupations in Benson vary over a broad range of employment opportunities. According to data collected during Census 2000, of those workers aged 16 years and older, 24.9 percent were employed in sales and office occupations; 24.3 percent were employed in service occupations; and 21.9 percent were employed in management, professional, and related occupations. Construction, extraction, and maintenance operations employed approximately 15.3 percent of the city's workers, while production, transportation, and material moving occupations employed approximately 13.5 percent.

Approximately 72.2 percent of Benson workers were private wage and salary workers, while 19.4 percent were government workers as of Census 2000. Self-employed workers in unincorporated businesses comprised 8.4 percent of Benson workers.

Industries

The industry grouping employing the largest number of Benson workers, as of Census 2000, was educational, health and social services, which employed approximately 26.1 percent; followed by the arts, entertainment, recreation, accommodation, and food services industry grouping, which employed 15.1 percent; retail trade, which employed 13.7 percent; transportation and warehousing, and utilities, which employed 9.7 percent; public administration, which employed 8.5 percent; construction, which employed 5.8 percent; and professional, scientific, management, administrative, and waste management services, which employed 5.2 percent. The industry groupings of manufacturing; finance, insurance, real estate, rental and leasing; agriculture, forestry, fishing and hunting, and mining; information; wholesale trade; and other services each employed less than 5 percent of Benson workers as of Census 2000.

Major Employers

In 2005, Sierra Southwest Cooperative Services, Inc. was the top employer in Benson, based on the number of full-time equivalent (FTE) employees. An FTE employee equals one full-time or two part-time employees. Sierra Southwest Cooperative Services, Inc. employed 302 FTE employees in 2005. The second largest employer in Benson in 2005 was Southeastern Arizona Behavioral Health Services, Inc., which employed 275 FTE employees. The Benson Unified School District held the third-ranked position with 156 FTE employees. Benson Hospital Corporation held the fourth-ranked position with 120 FTE employees. Gas City/Holiday Inn Express held the fifth ranking, with 94 FTE employees. The CER conducts an annual county-wide major employer survey, with results reported in October of each year. Businesses included in this section and listed on the accompanying table reflect only those that responded to the survey.

According to the U.S. Census Bureau, nearly 90 percent of business establishments in Benson employed fewer than 20 workers each in 2003 (the most recent data available). Of the 187 business establishments in Benson as of 2003, a total of 109, or 58.3 percent, employed fewer than five workers each.

Between 2001 and 2003, the number of business establishments in Benson grew from 182 to 187, according to the U.S. Census Bureau. With this came an increase in the number of employees from 1,747 to 2,004, a rise of nearly 15 percent. During this time, the total annual payroll of businesses located in Benson grew from \$41.0 to \$52.1 million. On a per-employee basis, this represented an increase in payroll from \$23,496 to \$26,017 per employee, per year – a 10.7 percent hike. This reflects inflation-adjusted growth in payroll per employee of 6.8 percent.

Earnings and Income

The *median household income* in Benson for 2004 was approximately \$29,291, compared to \$33,243 for Cochise County and \$41,995 statewide. The *median family income* for Benson in 2004 was approximately \$38,132, compared to \$39,853 for the county and \$48,995 statewide. Benson’s *per capita income* in 2004 was approximately \$18,878, compared to \$17,431 for the county and \$22,105 for the state. State figures are estimated by the U.S. Census Bureau; county and below figures are estimated by the CER. (Note: In 2005, the CER adopted a new formula for estimating income; thus, these figures should not be compared to figures from earlier editions of this publication.)

The fact that Benson’s per capita income is higher than the county average, while the household and family incomes are lower, is reflective of the smaller household and family sizes in Benson, relative to those of the county.

The average wage per job in Benson in 2004 was approximately \$14.22 per hour, compared to \$15.08 countywide and \$16.56 statewide. The average annual salary in Benson in 2004 was \$29,565, compared to \$31,359 for the county and \$34,436 for the state. County and state wages and salaries are estimated by DES; sub-county figures are estimated by the CER.

Cochise County Employment

DES tracks employment by industry grouping on a monthly basis using the North American Industrial Classification System (NAICS) and makes this data available for the state and county levels. These figures are not available for sub-county areas. In 2005, Cochise County’s average annual employment grew by 1,575 jobs, for total job growth of 3.1 percent. Non-farm employment in the county expanded by 5.4 percent, increasing from 35,150 to 37,050. This reflects a net gain of 1,900 jobs. (Note: The differential between total job creation and non-farm job creation is accounted for by job losses in the agricultural sector. For more information on this, please see the Cochise County Agriculture section of this publication.)

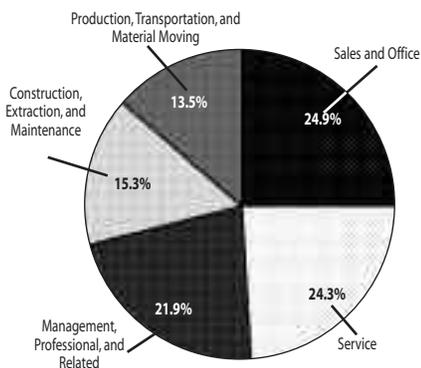
The fastest growing industry grouping in 2005, as measured by percent change,

BENSON CIVILIAN LABOR FORCE, EMPLOYMENT, JOB GAINS, AND JOB GROWTH RATE ESTIMATES, 2001-2005

	CIVILIAN LABOR FORCE	EMPLOYMENT	JOB GAINS	JOB GROWTH RATE
2001	2,101	1,918	—	—
2002	2,174	1,944	26	1.4%
2003	2,231	2,002	58	3.0%
2004	2,266	2,063	61	3.0%
2005	2,333	2,128	65	3.2%

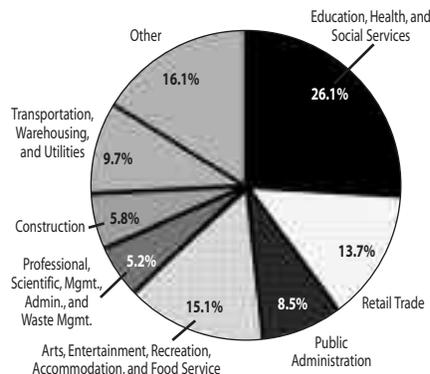
Source: Estimated by the Cochise College Center for Economic Research using a Census Share Model and data provided by the Arizona Department of Economic Security.

BENSON OCCUPATIONS, 2000



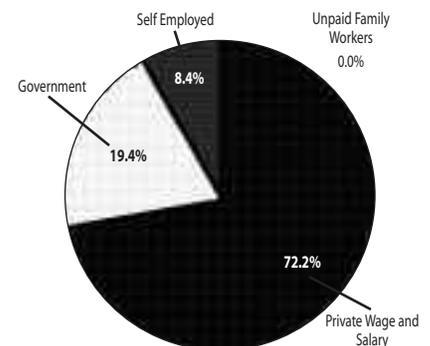
Source: U.S. Census Bureau and Cochise College CER

INDUSTRIES IN BENSON, 2000 (BY PERCENT OF WORKFORCE)



Source: U.S. Census Bureau and Cochise College CER.

BENSON CLASSES OF WORKERS, 2000



Source: U.S. Census Bureau and Cochise College CER

BENSON BUSINESS ESTABLISHMENTS, EMPLOYEES, AND PAYROLL, 2001-2003

	2001	2002	2003
No. of Business Establishments	182	188	187
Number of Employees	1,747	2,178	2,004
Annual Payroll	\$41,047,000	\$51,492,000	\$52,139,000

Note: Includes businesses located in zip code 85602. Source: U.S. Census Bureau.

was professional and business services, which grew by 600 jobs for job growth of 16 percent. Other industry groupings that experienced job growth were mining and construction, which grew by 275 jobs (11.1 percent); state and local government, which grew by 500 jobs (7.4 percent); leisure and hospitality, which grew by 200 jobs (5.1 percent); educational and health services, which grew by 175 jobs (4.6 percent); federal government, which grew by 175 jobs (3.7 percent); financial activities, which grew by 25 jobs (2.6 percent); and trade, transportation, and utilities, which grew by 75 jobs (1.2 percent). Industry groupings that lost jobs in 2005 were other services, which lost 50 jobs (-4.7 percent) and information, which lost 25 jobs (-5 percent). The manufacturing industry remained unchanged in 2005, stabilizing at 850 jobs.

BENSON'S TOP EMPLOYERS, 2005

EMPLOYER	EMPLOYEES
Sierra Southwest Cooperative Services, Inc.....	302
Southeastern Arizona Behavioral Health Services, Inc.....	275
Benson Unified School District	156
Benson Hospital Corporation	120
Gas City/Holiday Inn Express	94
Quiburi Mission Samaritan Center.....	80
Apache Nitrogen Products, Inc.....	71
City of Benson	71
Beaudry Chevrolet Chrysler, Dodge & Jeep	21
Turquoise Hills Family Golf Center, Inc.....	19
Ace Hardware Of Benson.....	19
Recker Realty & Investment, Inc.....	9

(FTE) FULLTIME EQUIVALENT EMPLOYEES*

*A fulltime equivalent employee equals one fulltime employee or two part-time employees. For employers with multiple site locations, the number of fulltime equivalent employees reflects only those employees reporting to work in Benson. This list includes only those employers who responded to the annual major employer survey. Source: Cochise College Center for Economic Research.

Outlook

Benson's labor force is projected to reach 2,494 in 2008. Future growth in the labor force will largely depend on the pace of construction in the area over the next few years and the demographics of new residents as homes are built and sold. The unemployment rate is expected to stabilize at or near 9.3 percent. Wages and salaries can be expected to grow by about 2.2 percent per year.

At the county level, the CER projects the total number of jobs will grow by an average of 2.6 percent annually between 2006 and 2009. The number of jobs in the county is forecasted to reach 58,750 in 2009.

The total number of non-farm jobs in the county is projected to grow by 2.1 percent per year over the next four years, reaching 40,200 jobs in 2009. Private-sector jobs in the county are forecasted to grow by 2.2 percent annually over the next few years, reaching 27,075 in 2009. Government jobs are projected to grow by 1.9 percent per year over the next few years, reaching 13,125 in 2009.

The goods-producing sector of the local economy, which includes mining and construction, as well as manufacturing, is projected to experience an average annual job growth rate of 2.2 percent, reaching 3,925 jobs in 2009. Most of these jobs will be in the construction industry, as steady population growth offsets declines that would otherwise be expected to result from rising long-term interest rates. Job growth in this category should be slow in 2006, as a result of inflationary pressures on building and construction materials resulting from increased demand worldwide; however, the pace should pick up in 2007 and beyond as the supply of materials expands and the market re-establishes equilibrium.

The service-providing sector in Cochise County is projected to experience average annual job growth of 2.1 percent, reaching 36,275 jobs in 2009. The service-providing sector includes trade, transportation, and utilities; information; financial activities; professional and business services; educational and health services; leisure and hospitality; other services; and government.

Overall, it is projected that 5,825 jobs will be created in the county in the years 2006 through 2009. Of these, 3,150 are projected to be non-farm jobs, while the remaining 2,675 are projected to occur in the agricultural sector. Of the 3,150 non-farm jobs, 2,200 are projected to be in the private sector and 950 in government.

Of total non-farm job creation in Cochise County, the industry groupings projected to see the largest numbers of new jobs

BENSON BUSINESS ESTABLISHMENTS BY EMPLOYMENT-SIZE CLASS, 2003

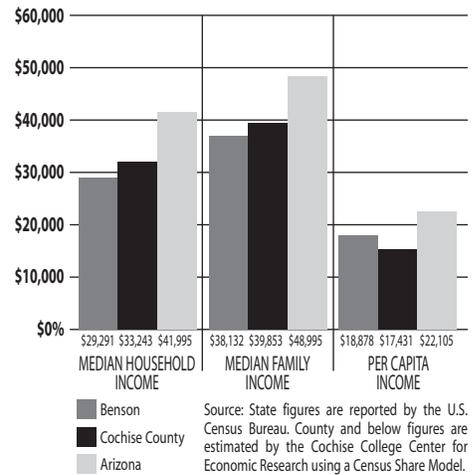
INDUSTRY	NUMBER OF ESTABLISHMENTS BY EMPLOYMENT-SIZE CLASS					
	1-4	5-9	10-19	20-49	50-99	100-249
Retail Trade	16	7	5	1	1	0
Health Care and Social Assistance	8	4	3	2	2	1
Other Services (Except Public Administration)	19	3	1	1	0	0
Professional, Scientific, and Technical Services	6	2	0	1	0	0
Construction	14	4	0	0	0	0
Accommodation & Food Services	10	5	10	6	0	0
Real Estate & Rental & Leasing	12	1	0	0	0	1
Finance & Insurance	2	3	0	0	0	0
Admin., Support, Waste Mgmt., & Remediation Services	3	1	0	0	1	0
Wholesale Trade	2	1	0	0	0	0
Information	3	0	0	0	0	0
Transportation & Warehousing	6	0	2	1	0	0
Manufacturing	2	0	0	1	0	0
Educational Services	1	0	0	0	0	0
Arts, Entertainment, & Recreation	3	1	0	1	0	0
Utilities	0	0	2	1	0	1
Unclassified Establishments	1	0	1	0	0	0
Management of Companies & Enterprises	1	0	0	0	0	0
TOTAL	109	32	24	15	4	3

Note: Includes businesses located in postal zip code 85602. Source: U.S. Census Bureau.



A view from inside Ace Hardware in Benson.
Photo courtesy of CER Staff.

INCOME COMPARISONS, 2004



are federal government, educational and health services, professional and business services, and mining and construction.

Federal government jobs are projected to grow by 700 jobs in the years 2006 through 2009, for average annual job growth of 3.4 percent. The strong growth in this category will be driven by the federal government's continued emphasis on homeland security and efforts to secure the nation's border with Mexico.

The industry grouping of educational and health services is projected to grow by 600 jobs in the years 2006 through 2009, for average annual job growth of 3.6 percent. An increase in the population of school-age children is expected to increase demand for workers in educational services. An aging population resulting from longer life spans and the continued influxes of retirees will increase demand for health services workers.

The industry grouping of professional and business services is projected to grow by 500 jobs in the years 2006 through 2009, for average annual job growth of 2.8 percent.

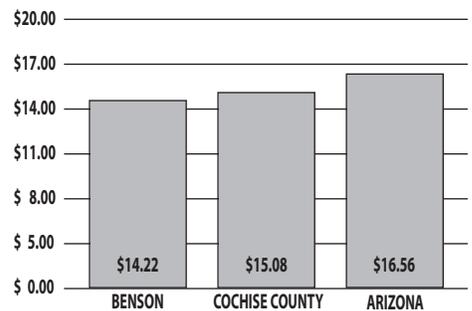
The industry grouping of mining and construction is projected to grow by 375 jobs in the years 2006 through 2009, for average annual job growth of 3.3 percent. Most of the new jobs will occur in construction as residential and business development continues throughout the county and strong population growth counteracts increases in long-term interest rates and inflationary pressures.

The industry grouping of leisure and hospitality is projected to grow by 200 jobs in the years 2006 through 2009, for average annual job growth of 1.5 percent. The projected growth is attributable to increased tourism as a result of local efforts to attract more visitors, as well as increased activity at Fort Huachuca, which brings an increasing number of military and civilian personnel to the area on temporary duty status.

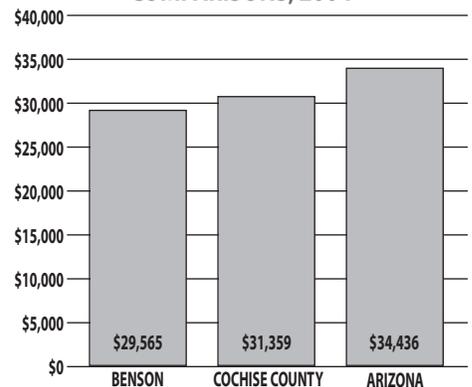
The industry grouping of trade, transportation, and utilities is projected to grow by 275 jobs in the years 2006 through 2009, for average annual job growth of 1.1 percent.

State and local government jobs are projected to grow by 250 jobs in the years

AVERAGE HOURLY WAGE COMPARISONS 2004



AVERAGE ANNUAL SALARY COMPARISONS, 2004



Wal-Mart Supercenter is set to open in November 2006.
Photo courtesy of CER Staff.



2006 through 2009, for average annual job growth of 0.9 percent.

The industry grouping of financial activities is projected to grow by 175 jobs in the years 2006 through 2009, for average annual job growth of 4.2 percent. Strong job growth in this category will be driven by increased business and residential development in the area, necessitating increased and expanded financial support activities.

COCHISE COUNTY EMPLOYMENT BY CATEGORY

	2005	2004	CHANGE	PERCENT CHANGE
Total Employment	52,925	51,350	1,575	3.1%
Total Nonfarm	37,050	35,150	1,900	5.4%
Total Private	24,875	23,650	1,225	5.2%
Goods Producing	3,600	3,350	250	7.5%
Mining and Construction	2,750	2,475	275	11.1%
Manufacturing	850	850	0	0.0%
Service-Providing	33,450	31,800	1,650	5.2%
• Private Service-Providing ...	21,275	20,300	975	4.8%
Trade, Transportation, ...	6,425	6,350	75	1.2%
Information	475	500	-25	-5.0%
Financial Activities	975	950	25	2.6%
Professional and Business Services	4,350	3,750	600	16.0%
Educational and Health Services	3,950	3,775	175	4.6%
Leisure and Hospitality ..	4,100	3,900	200	5.1%
Other Services	1,025	1,075	-50	-4.7%
• Government	12,175	11,500	675	5.9%
Federal Government	4,950	4,775	175	3.7%
State and Local Government	7,225	6,725	500	7.4%

The industry grouping of “other services” is projected to grow by 75 jobs in the years 2006 through 2009, for average annual job growth of 1.8 percent.

The information industry is projected to decline by 25 jobs in the years 2006 through 2009, for average annual job growth of -1.3 percent.

Manufacturing is projected to decline by 25 jobs in the years 2006 through 2009, for average annual job growth of -1.5 percent. Slower growth is attributable to increased foreign competition and excess capacity in these markets.

A Note on Employment Data

Employment data are widely regarded as one of the most important economic indicators. However, employment figures are subject to sizable revisions. For the most up-to-date employment data for the local economy, please visit the CER’s website at www.cochise.edu/cer.

Note: Numbers are rounded to the nearest 25. Discrepancies are due to rounding.
Source: Arizona Department of Economic Security and Cochise College Center for Economic Research.

BENSON EMPLOYMENT FORECAST FOR 2006-2008

	2006	2007	2008
Labor Force	2,384	2,439	2,494
Unemployment Rate	9.3%	9.3%	9.3%
Average Hourly Wage	\$14.77	\$15.10	\$15.43
Average Annual Salary	\$30,715	\$31,401	\$32,087

Forecasts by the Cochise College Center for Economic Research.

COCHISE COUNTY JOB GROWTH PROJECTIONS, 2006-2009

	2006		2007		2008		2009	
	NUMBER	GROWTH	NUMBER	GROWTH	NUMBER	GROWTH	NUMBER	GROWTH
Total Number of Jobs	54,325	2.6%	55,800	2.7%	57,275	2.6%	58,750	2.6%
Total Non-farm Jobs	37,450	1.1%	38,375	2.5%	39,300	2.4%	40,200	2.3%
Total Private Sector Jobs	25,100	0.9%	25,775	2.7%	26,425	2.5%	27,075	2.5%
Goods Producing	3,575	-0.7%	3,700	3.5%	3,800	2.7%	3,925	3.3%
Mining & Construction	2,750	0.0%	2,875	4.5%	3,000	4.3%	3,125	4.2%
Manufacturing	825	-2.9%	825	0.0%	800	-3.0%	800	0.0%
Service-Providing	33,875	1.3%	34,675	2.4%	35,500	2.4%	36,275	2.2%
Private Service Providing	21,525	1.2%	22,075	2.6%	22,625	2.5%	23,150	2.3%
Trade, Transportation, and Utilities	6,425	0.0%	6,525	1.6%	6,600	1.1%	6,700	1.5%
Information	475	0.0%	475	0.0%	475	0.0%	450	-5.3%
Financial Activities	1,025	5.1%	1,075	4.9%	1,100	2.3%	1,150	4.5%
Professional and Business Services	4,325	-0.6%	4,500	4.0%	4,675	3.9%	4,850	3.7%
Educational and Health Services	4,075	3.2%	4,225	3.7%	4,400	4.1%	4,550	3.4%
Leisure and Hospitality	4,100	0.0%	4,175	1.8%	4,275	2.4%	4,350	1.8%
Other Services	1,100	7.3%	1,100	0.0%	1,100	0.0%	1,100	0.0%
Government Service Providing	12,350	1.4%	12,600	2.0%	12,875	2.2%	13,125	1.9%
Federal Government	5,125	3.5%	5,300	3.4%	5,475	3.3%	5,650	3.2%
State and Local Government	7,225	0.0%	7,300	1.0%	7,400	1.4%	7,475	1.0%

Note: Rounded to nearest 25. Forecasts by the Cochise College Center for Economic Research.



Retail and Trade

The Candy Station, a downtown East 4th Street business and one of the downtown businesses that have remodeled their storefront. Photo courtesy of CER Staff.

Although the population of Benson is less than 5,000, the city serves a much larger market area. The city's location makes it easily accessible to thousands of travelers along Interstate 10 and Highways 80 and 90. More than 30,000 vehicles per day travel along I-10 between exits 299 and 302, according to the Arizona Department of Transportation. Of those, more than 15,000 exit on Arizona State Route 80 or 90, entering the City of Benson. Although Benson accounts for only 3.6 percent of Cochise County's population, it accounts for about 6.1 percent of the county's retail sales, 11 percent of restaurant and bar sales, and 12.5 percent of accommodation (hotel, motel, and other lodging) sales.

Total Taxable Sales

Total taxable sales in Benson include the categories of communications and utilities; construction; manufacturing; wholesale trade; retail trade; finance and insurance; real estate, rental and leasing; restaurant and bar; accommodation; services; and the category of "other."

Taxable sales in Benson for 2005 totaled \$77.3 million, up 3.6 percent from 2004. Adjusting for inflation, which was 3.4 percent, this represents modest real growth of 0.2 percent. This reflects a recovery from 2004, when sales in Benson fell by 1.9 percent after adjusting for inflation. Total sales have remained steady over the past couple of years, despite tighter monetary policy at the national level, which has translated into higher interest rates locally.

In 2005, Benson's retail sales totaled \$44.4 million, or 57.4 percent of total taxable sales in the city, making retail the largest category of sales in Benson. The second largest category was restaurant and bar, which accounted for \$10.7 million or 13.9 percent of total sales. The third largest category of sales in 2005 was construction, which

AVERAGE DAILY TRAFFIC COUNT*

LOCATION	2001	2002	2003	2004
I-10, Exit 297 to Exit 299	27,300	27,100	28,500	27,300
I-10, Exit 299 to Exit 302	31,600	33,000	33,900	31,500
I-10, Exit 302 to Exit 303	25,200	20,000	26,100	24,400
I-10, Exit 303 to Exit 304	25,400	13,700	21,300	15,900
I-10, Exit 304 to Exit 307	24,500	12,700	22,100	15,400
SR 80, SB-10(3) to Country Club Dr	9,900	8,700	9,800	6,900
SR 80, Country Club Dr to Apache Powder Rd (South)	6,500	3,500	6,500	7,000
SR 80, Apache Powder Rd (South) to ADOT Maintenance Yard Entrance	5,700	5,800	5,900	6,200
SR 80, ADOT Maintenance Yard Entrance to Judd St	4,700	4,800	4,900	6,400
SR 90, I-10 Exit 302 to Kartchner Caverns Main Entrance	8,200	8,300	8,500	8,800

*Rounded to nearest hundred. Source: Arizona Department of Transportation.

BENSON TOTAL TAXABLE SALES, 2000-2005

YEAR	TOTAL SALES	% CHANGE	REAL, INFLATION
2000.....	\$68,164,771	10.9%	7.5%
2001.....	\$65,638,760	-3.7%	-6.5%
2002.....	\$70,246,724	7.0%	5.4%
2003.....	\$74,023,302	5.4%	3.1%
2004.....	\$74,614,850	0.8%	-1.9%
2005.....	\$77,333,089	3.6%	0.2%

Note: Inflation-adjusted growth is calculated using the inflation rates as determined by the Consumer Price Index (CPI), average annual change. Data shown are estimates. Source: Arizona Department of Revenue and Cochise College Center for Economic Research.

BENSON TOTAL TAXABLE SALES BY CATEGORY, 2005

INDUSTRY GROUP	SALES	PERCENT OF TOTAL SALES
Communications & Utilities	\$2,789,360	3.6%
Construction	\$5,065,124	6.5%
Manufacturing	\$2,422,760	3.1%
Wholesale Trade	\$1,046,800	1.4%
Retail Trade	\$44,393,360	57.4%
Finance & Insurance	\$82,000	0.1%
Real Estate, Rental & Leasing	\$3,756,480	4.9%
Restaurant & Bar	\$10,745,960	13.9%
Accommodation	\$3,465,444	4.5%
Services	\$2,569,480	3.3%
Other	\$996,320	1.3%
TOTAL	\$77,333,089	

Note: Data shown are estimates. Source: Arizona Department of Revenue and Cochise College Center for Economic Research.

Robin Dewitt, owner of The Candy Station, one of many small business owners in the downtown East 4th Street business district of Benson. Photo courtesy of CER Staff.

totalled \$5.1 million or 6.5 percent of total sales. All other categories of sales each accounted for less than 5 percent of the city's total taxable sales. In 2005, taxable sales in Benson accounted for 6.1 percent of total taxable sales countywide. This was down from 6.4 percent a year prior.

Retail Sales

According to the U.S. Census Bureau, in 2003 there were 30 establishments in Benson whose primary business was retail trade. This was up from 27 a year prior.

In 2005, retail sales in Benson totaled \$44.4 million, up 7.7 percent from 2004, for solid, inflation-adjusted growth of 4.3 percent. Benson's retail sales in 2005 accounted for 6.1 percent of all retail sales countywide. This was up slightly from 6 percent in 2004.

Retail sales in Benson remained strong in 2005, despite the tightening of monetary policy at the national level, which has resulted in higher interest rates throughout the economy. Higher interest rates have the effect of discouraging borrowing and slowing consumer spending. However, despite this continued tightening of monetary policy, along with nationwide inflationary pressures, retail sales in the city have continued to grow at a healthy pace. This is likely attributable to the continued steady population growth in Cochise County, which adds consumers to the local economy increasing the demand for retail goods. Another factor contributing to the strong performance of retail sales in Benson has been the opening of several new retail establishments, making available a wider range of retail goods within the city.

In late 2006, a Wal-Mart Super Center is scheduled to open in Benson. This store, expected to open just prior to the 2006 holiday shopping season, will significantly alter Benson's retail sector, leading to the city capturing a much larger share of countywide retail sales. In addition to capturing a large volume of retail dollars currently leaving the city, the new Wal-Mart will also lure shoppers from other areas of the county, particularly Willcox and the unincorporated areas in the northern half of the county.

Restaurant and Bar Sales

In 2005, restaurant and bar receipts in Benson totaled \$10.7 million, up 10.9 percent from 2004. This represents robust inflation-adjusted growth of 7.5 percent. The strong growth in 2005 reflected a rebound from a year prior, when sales were down by 6 percent after adjusting for inflation.

In 2005, Benson's restaurant and bar sales accounted for 11 percent of the coun-





Ruiz's Restaurant on 4th Street, Benson.
Photo courtesy of CER Staff.

tywide total, up from 10.8 percent in 2004. This relatively large share of countywide restaurant and bar sales reflects Benson's location along Interstate 10, making it a popular and convenient stop, as well as its designation as the "Home of Kartchner Caverns." Kartchner Caverns, an Arizona State Park, is the single largest tourist attraction in Cochise County as measured by the number of annual visitors, and draws nearly 200,000 visitors to the Benson area each year.

Since 2000, restaurant and bar sales in Benson have shown mixed performance. In 2000, sales in this category posted strong real growth of 7.4 percent, despite the national recession that began that year. In 2001, sales dropped off substantially, reflecting the national recession and the fallout of the September 11, 2001, attacks, which decreased tourism and overall economic activity. Restaurant and bar sales recovered slightly in 2002, posting real gains of 1.7 percent. In 2003, growth in this category slowed, dropping 3.6 percent in real terms.

Accommodation Receipts

Benson's sales tax on lodging totals 4.5 percent. Combined with the county and state privilege taxes, Benson's combined lodging tax rate of 10.55 percent is equal to or less than 56 of the other 74 Arizona communities tracked by the Arizona Office of Tourism as of July 2005.

In 2005, accommodation (hotel, motel, and other lodging) receipts in Benson increased by 12.6 percent, from \$3.1 to \$3.5 million, reflecting robust real growth of 9.2 percent. Despite this strong growth in accommodation sales, however, Benson's accommodation receipts in 2005 accounted for 12.5 percent of the county total, down from 13.3 percent in 2004. However, Benson continues to capture a relatively large share of the county's accommodation receipts, due primarily to the city's location along Interstate 10, making it a convenient overnight stop, as well as the city's proximity to Kartchner Caverns, the most popular, single tourist attraction in Cochise County as measured by annual visitations.

Business Establishments

According to the U.S. Census Bureau, as of 2003 there were 187 business establishments located in the Benson area (zip code 85602). The industry with the largest number of business establishments was accommodation and food services, with 31 establishments; followed closely by retail trade, with 30 establishments; other services

BENSON RETAIL SALES, 2000-2005

YEAR	SALES	% CHANGE	INFLATION-ADJUSTED GROWTH
2000	\$37,657,070	3.0%	-0.4%
2001	\$37,283,056	-1.0%	-3.8%
2002	\$38,318,360	2.8%	1.2%
2003	\$40,509,040	5.7%	3.4%
2004	\$41,223,920	1.8%	-0.9%
2005	\$44,393,360	7.7%	4.3%

Note: Inflation-adjusted growth is calculated using the inflation rates as determined by the Consumer Price Index (CPI), average annual change. Data shown are estimates. Source: Arizona Department of Revenue and Cochise College Center for Economic Research.

BENSON RESTAURANT & BAR SALES, 2000-2005

YEAR	SALES	% CHANGE	INFLATION-ADJUSTED GROWTH
2000	\$10,165,991	10.8%	7.4%
2001	\$9,825,380	-3.4%	-6.2%
2002	\$10,152,560	3.3%	1.7%
2003	\$10,018,160	-1.3%	-3.6%
2004	\$9,691,840	-3.3%	-6.0%
2005	\$10,746,000	10.9%	7.5%

Note: Inflation-adjusted growth is calculated using the inflation rates as determined by the Consumer Price Index (CPI), average annual change. Data shown are estimates. Source: Arizona Department of Revenue and Cochise College Center for Economic Research.

BENSON ACCOMMODATION SALES, 2000-2005

YEAR	SALES	% CHANGE	INFLATION-ADJUSTED GROWTH
2000	\$2,953,576	—	—
2001	\$2,679,790	-9.3%	-12.1%
2002	\$2,967,444	10.7%	9.1%
2003	\$2,910,822	-1.9%	-4.2%
2004	\$3,078,290	5.8%	3.1%
2005	\$3,465,444	12.6%	9.2%

Note: Inflation-adjusted growth is calculated using the inflation rates as determined by the Consumer Price Index (CPI), average annual change. Data shown are estimates. Source: Arizona Department of Revenue and Cochise College Center for Economic Research.

BENSON SHARE OF TOTAL COUNTY SALES, 2004-2005

CATEGORY	2005 SHARE OF COUNTY TOTAL	2004 SHARE OF COUNTY TOTAL
Total Taxable Sales	6.1%	6.4%
Retail	6.1%	6.0%
Restaurant & Bar	11.0%	10.8%
Accommodation	12.5%	13.3%

Note: County total includes only those sales occurring in the incorporated cities and towns. Source: Arizona Department of Revenue and Cochise College Center for Economic Research.

BENSON BUSINESS ESTABLISHMENTS, 2001-2003

INDUSTRY	2001	2002	2003
Forestry, fishing, hunting, and agriculture	1	0	0
Utilities	3	3	4
Construction	20	19	18
Manufacturing	4	3	3
Wholesale trade	4	4	3
Retail trade	28	27	30
Transportation & warehousing	4	6	9
Information	2	4	3
Finance & insurance	6	5	5
Real estate & rental & leasing	7	13	14
Professional, scientific & technical services	9	8	9
Management of companies & enterprises	1	1	1
Admin, support, waste mgt, remediation services	6	8	5
Educational services	2	2	1
Health care and social assistance	22	18	20
Arts, entertainment & recreation	3	5	5
Accommodation & food services	34	36	31
Other services (except public administration)	23	25	24
Auxiliaries	1	1	0
Unclassified establishments	2	0	2
TOTAL	182	188	187

Note: Data for zip codes 85602. Source: U.S. Census Bureau and Cochise College Center for Economic Research.

BENSON SALES FORECAST, 2006-2008

	2006	2007	2008
Total Taxable Sales (\$)	\$81,199,743	\$85,259,731	\$89,522,717
Total Taxable Sales (Growth)	5.0%	5.0%	5.0%
Retail Sales (\$)	\$46,613,028	\$48,943,679	\$51,390,863
Retail Sales (Growth)	5.0%	5.0%	5.0%
Restaurant & Bar Sales (\$)	\$11,283,300	\$11,847,465	\$12,439,838
Restaurant & Bar Sales (Growth)	5.0%	5.0%	5.0%
Accommodation Sales (\$)	\$3,649,113	\$3,842,515	\$4,046,169
Accommodation Sales (Growth)	5.3%	5.3%	5.3%

Forecasts by the Cochise College Center for Economic Research.

Benson is home to 7 motels, 18 mobile home/RV parks, and 10 Bed and Breakfast establishments.

Photo courtesy of CER Staff.

(except public administration), with 24 establishments; healthcare and social assistance, with 20 establishments; and construction, with 18 establishments. Other industries in Benson each had 14 or fewer establishments.

Between 2001 and 2003, the most recent data available, the number of business establishments in the Benson area grew from 182 to 187. The fastest growing industries in terms of the number of new establishments were real estate, rental and leasing, which added seven establishments, and transportation and warehousing, which added five establishments.

Outlook

Forecasting sales in Benson for the coming years is extremely tenuous for a variety of reasons. One reason is the lack of clearly established trends over the past few years. For example, growth of total taxable sales over the past five years has ranged from a high of 7 percent in 2002 to a low of -3.7 percent in 2001. Growth in retail sales has ranged from a high of 7.7 percent in 2005 to a low of -1.0 percent in 2001. Restaurant and bar sales, as well as accommodation sales, have alternated between periods of positive and negative growth. Other factors contributing to uncertainty over the growth rate of future sales include uncertainty over the pace at which future construction in the city will occur, since construction contracting contributes to the city's total taxable sales; annexation potential, since annexation would subject new construction to city taxation; the luring of new commercial establishments resulting from an increase in population; and the increase in the population itself, which adds to the number of buyers in the local market, raising the level of sales across the various categories of sales.

An analysis of recent sales, construction potential, expected population growth, and new commercial construction, especially the new Wal-Mart Super Center scheduled to open in late 2006, indicates total sales, retail sales, and restaurant and bar sales are likely to grow at an average annual pace of 5 percent. Accommodation receipts should grow at a slightly higher rate of 5.3 percent, indicated by the stronger growth of this industry over the past couple of years and recently stepped-up efforts to market Cochise County tourism opportunities. Another factor contributing to stronger growth in accommodation is the increased construction likely to occur in the area, since many construction firms employ workers from outside the area, many of whom stay in temporary lodging while construction is ongoing.





Housing and Real Estate

Meritage - One of many new construction sites being developed near the Cochise College Benson Center. Photo courtesy of CER Staff.

Planned Developments in the Benson Area

As of early 2006, there were 17 housing developments at various stages planned for the immediate Benson area. The Benson area includes the city limits and unincorporated land adjacent to the city. The largest of these is the Anthem development, where construction of more than 5,700 units between 2008 and 2015 is planned. Overall, there are 13,750 units planned for Anthem.

Another large-scale development planned for the Benson area is Smith Ranch, planned by Diamond Ventures. In early 2005, the Cochise County Board of Supervisors approved rezoning of the land, located in the unincorporated area of Cochise County just west of Benson to allow for a maximum of 4,900 homes on 2,000 acres. A local citizen's group opposing the rezoning has moved forward with a referendum seeking to overturn the board's decision. This is expected to go before Cochise County voters in November 2006. Other large-scale developments planned for the Benson area include the Sage Group, with 3,500 units; San Pedro Partners, with 1,200 units; and The Canyons, with 850 units.

Combined, the 17 developments will add more than 24,500 homes to the area based on current plans, with more than 11,000 of these homes planned for construction and occupancy between now and 2015. Of these, about 30 percent are planned to be part of age-restricted communities. Developers have looked to Tucson and Fort Huachuca to provide a market for new homes built in the Benson area. The current vision presents Benson as a vital link between Sierra Vista/Fort Huachuca to the south and Tucson to the west.

Benson Area Home Sales

In 2005, there were 203 single-family residential homes sold in the Benson area,

PLANNED DEVELOPMENTS IN THE BENSON AREA

DIVISION	PLANNED UNITS
Anthem	13,750
Smith Ranch.....	4,200
The Canyons	850
Cottonwood Highlands.....	170
Cottonwood Bluffs	100
The Sage Group	3,500
San Pedro Partners.....	1,200
San Pedro Golf Estates.....	224
Kartchner Vistas	201
Old Homestead.....	26
Station Overlook.....	33
La Cholla Heights.....	45
La Mesa San Pedro.....	13
Water Crest.....	53
San Pedro Vista.....	121
Turquoise Hills.....	31
Rincon Acres	61
TOTAL	24,548

Note: The Benson area includes the City of Benson and unincorporated areas adjacent the city. Source: City of Benson.

NEW AND EXISTING HOME SALES – BENSON AREA, 2001-2005

YEAR	NUMBER OF HOMES SOLD	AVERAGE PRICE	AVERAGE PRICE CHANGE	MEDIAN PRICE	MEDIAN PRICE CHANGE
2001	140	\$80,897	--	\$73,575	--
2002	192	\$93,828	16.0%	\$74,583	1.4%
2003	151	\$97,729	4.2%	78,749	5.6%
2004	204	\$116,586	19.3%	\$89,700	13.9%
2005	203	\$155,240	33.2%	\$130,000	44.9%
2006*	53	\$227,821	46.8%	\$140,000	7.7%

*Jan-Mar only. Note: The Benson area includes the City of Benson and unincorporated areas in the northwest quadrant of Cochise County. Prices include land. Data in this table include only those homes listed with the Southeast Arizona Multiple Listing Service. Includes all property classified as single-family residential. Source: Long Realty-Benson Affiliate and Cochise College Center for Economic Research.

BENSON AREA HOUSING MARKET AT A GLANCE, 2005-2006

	SINGLE FAMILY RESIDENTIAL		MANUFACTURED SINGLE FAMILY RESIDENTIAL	
	2005	2006*	2005	2006*
Number Sold	203	53	95	27
Average Asking Price	\$160,956	\$240,174	\$102,308	\$124,650
Average Selling Price	\$155,240	\$227,821	\$98,909	\$120,760
Median Asking Price	\$139,500	\$139,900	\$89,900	\$104,000
Median Selling Price	\$130,000	\$140,000	\$85,000	\$104,000
Average Selling Price as % of Asking Price	96.5%	94.9%	96.7%	96.9%
Average Number of Bedrooms	3	3	3	3
Average Number of Baths	1.9	1.81	1.94	2
Average Days on Market	108	81	84	91
Average Square Footage (Heated/Cooled only)	1,561	1,585	1,454	1,413

*Jan-Mar only. Note: The Benson area includes the City of Benson and unincorporated areas in the northwest quadrant of Cochise County. Prices include land. Data in this table include only those homes listed with the Southeast Arizona Multiple Listing Service. Includes all property classified as single-family residential. Source: Long Realty-Benson Affiliate and Cochise College Center for Economic Research.

AVERAGE NUMBER OF DAYS ON MARKET – BENSON AREA, 2005-2006

	SINGLE FAMILY RESIDENTIAL		MANUFACTURED SINGLE FAMILY RESIDENTIAL	
	2005	2006*	2005	2006*
2 Bedroom	120	64	78	77
3 Bedroom	94	82	90	98
4 Bedroom	140	133	69	84
All	108	81	84	91

*Jan-Mar only. Note: The Benson area includes the City of Benson and unincorporated areas in the northwest quadrant of Cochise County. Prices include land. Data in this table include only those homes listed with the Southeast Arizona Multiple Listing Service. Includes all property classified as single-family residential. Source: Long Realty-Benson Affiliate and Cochise College Center for Economic Research.

down from 204 in 2004 (Note: This number includes only those homes listed on the Multiple Listing Service [MLS] and includes all property classified as single family residential). The Benson area includes the City of Benson, as well as the unincorporated areas in the northwest quadrant of Cochise County.

The median price of new and existing homes sold in the Benson area in 2005 was \$130,000, up 44.9 percent from 2004 (Note: The median price is the price at which half of all homes sold are priced above and half are priced below). The average price in 2005 was just over \$155,000.

On average, single-family homes in the Benson area sold at 96.5 percent of the asking price in 2005, indicating a relatively tight housing market. The average home sold in the Benson area in 2005 was 1,561 square feet with three bedrooms and 1.9 baths. The average number of days on the market was 108.

In the first three months of 2006, there were 53 single-family homes sold in the Benson area that were listed on MLS. The median price was \$140,000, up 7.7 percent from 2005. The average price in the first quarter of 2006 was just under \$228,000. The large differential between the average and median prices indicate the average was pulled up significantly by a small number of higher priced homes.

On average, single-family homes sold in the Benson area in the first quarter of 2006 sold at 94.9 percent of the asking price, down slightly from the 2005 average. The average number of days on the market was 81, down significantly from the 2005 average, indicating a tighter home market.

In 2005, four-bedroom homes remained on the market the longest, which was 140 days on average. Three-bedroom homes sold the most quickly, with an average of 94 days on the market. Two-bedroom homes remained on the market an average of 120 days. This pattern shifted somewhat in the first quarter of 2006. From January through March, two-bedroom homes sold the quickest, with an average of 64 days on the market. Three bedroom homes remained on the market an average of 82 days, and four-bedroom homes remained on the market for an average of 133 days. In the first quarter of 2006, the average time on the market for all homes decreased from 108 to 81 days, indicating a further tightening of the market.

In 2005, there were 95 manufactured single-family residential homes sold in the Benson area that were listed on MLS. The median price of a manufactured home was \$85,000. In the first three months of 2006, there were 27 manufactured homes, which sold at a median price of \$104,000. This reflected a 22.4 percent price increase from 2005. On average, manufactured homes sold in the Benson area in 2005 sold at 96.7 percent of the asking price. This remained relatively stable into the first quarter of 2006. The average manufactured home sold in the Benson area in 2005 was 1,454 square feet with three bedrooms and 1.94 baths. The average number of days on the market was 84. The average time on the market for manufactured homes increased to 91 in the first three months of 2006. As the price of manufactured homes increased at a faster rate than site-built homes, we saw a shift in market demand toward site-built homes. This was indicated by the increasing number of days on the market for manufactured homes and the concomitant decline in the number of days on the market for site-built homes.

In 2006, the Cochise College Center for Economic Research (CER) expanded its analysis of the local housing market to include analysis of asking-selling price differentials, square footage, and days on market. At the time of this publication, historical data sets for the expanded analysis were unavailable; thus, comparisons to previous years were not possible.

Housing Affordability in the Benson Area

Beginning in 2005, the CER began tracking housing affordability in the Benson area (Benson and adjacent unincorporated areas). The CER's *Housing Affordability Index* gauges whether a typical family would qualify for a mortgage on a typical home.

The CER defines a typical family as one earning the median family income, as estimated by the CER using the most recent U.S. Census Bureau data. In 2005, the estimated median family income for Benson was \$39,566 (Note: This is a preliminary estimate applying the previous year's rate of increase in family income; thus, this figure is subject to revision). The CER defines a typical home as a median-priced, single-family residential home. In 2005, the median price of a single-family residential home, as sold on MLS in the Benson area, was \$130,000. In calculating the HAI, the CER considers the average effective interest rate on a fixed, 30-year conventional mortgage as reported by the Federal Housing Finance Board. In 2005, this rate was 6.08 percent.

The HAI for the Benson area in 2005 was 131.1. In interpreting the HAI, a value of 100 indicates that a family with the median income has exactly enough income to qualify for a mortgage on a median-priced home, assuming a 20 percent down payment and a qualifying income ratio of 25 percent (i.e., the monthly principal and interest payment cannot exceed 25 percent of the family monthly income). An HAI above 100 indicates that a family earning the median income has more than enough income to qualify for a mortgage on a median-priced home. Thus, Benson's HAI of 131.1 indicates that a family earning the median income had 131.1 percent of the income necessary to qualify for a conventional loan covering 80 percent of a median-priced, single-family home in the Benson area in 2005.

To qualify for a conventional loan covering 80 percent of the cost of a median-priced home, a family in Benson would have needed an annual income of just over \$30,000 in 2005. Using this same methodology, a family living in Benson and earning the median income would have qualified for a conventional loan covering 80 percent of the value of a home costing \$170,000.

In tracking the HAI for Benson, the CER also computed the HAI back to 2002. Between 2002 and 2003, homes became more affordable in the Benson area, with the HAI increasing from 198.5 to 203.4. But since 2003, homes have become less affordable, with the HAI dropping to 184.3 in 2004 and 131.1 in 2005. It is important to note that declining affordability does not necessarily reflect rising prices due to inflation alone. As new, larger, and higher quality homes are built and sold, these tend to pull prices upward.

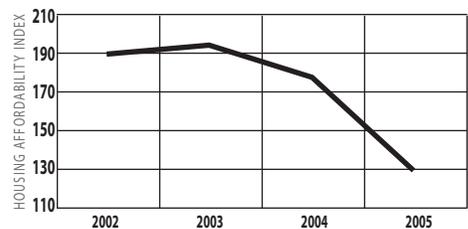


BENSON AREA HOUSING AFFORDABILITY INDEX (HAI), 2001-2005

YEAR	MEDIAN FAMILY INCOME	MEDIAN HOME PRICE	AMOUNT FINANCED	EFFECTIVE INTEREST RATE	MONTHLY PRINCIPAL & INTEREST PAYMENT	HAI
2002	\$36,918	\$74,583	\$59,666	6.76%	\$387	198.5
2003	\$36,750	\$78,749	\$62,999	5.97%	\$377	203.4
2004	\$38,132	\$89,700	\$71,760	6.02%	\$431	184.3
2005*	\$39,566	\$130,000	\$104,000	6.08%	\$629	131.1

Note: Based on the median homes price for single-family residential homes sold in the Benson area (Benson and adjacent unincorporated areas) and listed on MLS. Presumes a 30-year conventional fixed-rate mortgage, a 20-percent down payment, and a 25-percent qualifying income ratio. *Preliminary estimate applying the 2004 rate of increase in median family income. Source: Cochise College Center for Economic Research.

BENSON AREA HOUSING AFFORDABILITY, 2002-2005



Note: Based on the median homes price for single-family residential homes sold in the Benson area (Benson and adjacent unincorporated areas) and listed on MLS. Presumes a 30-year conventional fixed-rate mortgage, a 20-percent down payment, and a 25-percent qualifying income ratio. Source: Cochise College Center for Economic Research.

SINGLE-FAMILY RESIDENTIAL BUILDING PERMITS - COCHISE COUNTY, 2002-2005

YEAR	NO.	AVERAGE PRICE	PRICE CHANGE
2002	653	\$93,550	—
2003	926	\$97,340	4.1%
2004	1,046	\$105,840	8.7%
2005	1,108	\$123,796	17.0%

Note: Price reflects value shown on building permit and does not include value of land. Source: Bright Future Business Consultants of Tucson and Cochise College Center for Economic Research.

SINGLE-FAMILY RESIDENTIAL BUILDING PERMITS - NORTHWEST COCHISE COUNTY, 2002-2005

YEAR	NO.	AVERAGE PRICE	PRICE CHANGE
2002	47	\$103,298	4.9%
2003	75	\$124,795	20.8%
2004	70	\$134,286	7.6%
2005	135	\$152,067	13.2%

Note: Price reflects value shown on building permit and does not include value of land. Northwest Cochise County includes Benson, Whetstone, Saint David, Dragoon, Pearce, Sunsites, Cascabel, and surrounding areas. Source: Bright Future Business Consultants of Tucson and Cochise College Center for Economic Research.

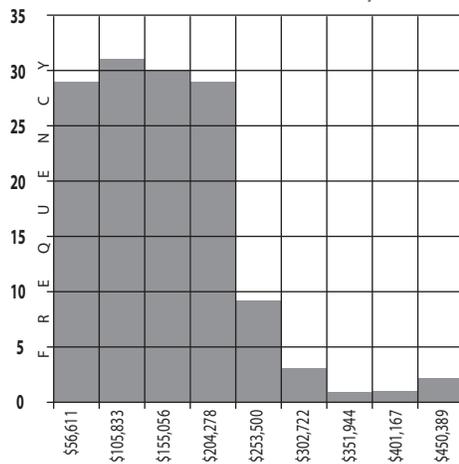
Long Realty - Benson Affiliate offers full real estate services in the Benson area. Photo courtesy of CER Staff.

DISTRIBUTION OF SINGLE FAMILY RESIDENTIAL BUILDING PERMIT VALUES – NORTHWEST COCHISE COUNTY, 2005

MINIMUM VALUE	MAXIMUM VALUE	MIDPOINT VALUE	NO. OF PERMITS	% OF TOTAL PERMITS
\$32,000	\$81,222	\$56,611	29	21.5%
\$81,222	\$130,444	\$105,833	31	23.0%
\$130,444	\$179,667	\$155,056	30	22.2%
\$179,667	\$228,889	\$204,278	29	21.5%
\$228,889	\$278,111	\$253,500	9	6.7%
\$278,111	\$327,333	\$302,722	3	2.2%
\$327,333	\$376,556	\$351,944	1	0.7%
\$376,556	\$425,778	\$401,167	1	0.7%
\$425,778	\$475,000	\$450,389	2	1.5%

Note: Price reflects value shown on building permit and does not include value of land. Northwest Cochise County includes Benson, Whetstone, Saint David, Dragoon, Pearce, Sunsites, Cascabel, and surrounding areas. Source: Bright Future Business Consultants of Tucson and Cochise College Center for Economic Research.

DISTRIBUTION OF NEW SFR PERMITS NORTHWEST COCHISE COUNTY, 2005



Note: Price reflects value shown on building permit and does not include value of land. Northwest Cochise County includes Benson, Whetstone, Saint David, Dragoon, Pearce, Sunsites, Cascabel, and surrounding areas. Each bin represents a permit value range of \$49,222 (+/- \$24,611 from midpoint price shown). See permit value distribution table for more information. Source: Bright Future Business Consultants of Tucson and Cochise College Center for Economic Research.

SINGLE FAMILY RESIDENTIAL BUILDING PERMIT VALUE, 2005

LOCATION	AVERAGE VALUE	AVERAGE VALUE CHANGE FROM 2004
Cochise County	\$123,796	17.0%
Northwest Cochise County	\$152,067	13.2%

Note: Price reflects value shown on building permit and does not include value of land. Source: Bright Future Business Consultants of Tucson and Cochise College Center for Economic Research.

New Home Construction

In 2005, there were 1,108 building permits issued for new, single-family residential construction in all of Cochise County. This was up 5.8 percent from 2004. Of these permits, 135 were issued for the northwest quadrant of Cochise County, nearly double the number of permits from a year prior. New residential construction permits in the northwest quadrant accounted for 12.2 percent of countywide permits in 2005, up from 6.7 percent in 2004. The northwest quadrant of Cochise County includes Benson, Whetstone, Saint David, Dragoon, Pearce, Sunsites, Cascabel, and surrounding areas.

At the county level in 2005, the average permit value of a new, single-family residential home was just under \$124,000, up 17 percent from 2004. In the northwest quadrant of the county, the average permit value was considerably higher at just over \$152,000, up 13.2 percent from a year prior.

Within the northwest quadrant of Cochise County, a total of 23 percent of the permits issued in 2005 for new single-family residential construction listed values between \$81,000 and \$130,000. A total of 22.2 percent of permits listed values between \$130,000 and \$180,000; 21.5 percent listed values between \$32,000 and \$81,000; and 21.5 percent listed values between \$180,000 and \$229,000.

Commercial Construction

In 2005, there were four permits issued for new commercial construction in Benson at a total dollar valuation of \$646,000. Between 2002 and 2005, there were 29 permits issued for new commercial construction at a total value of more than \$7.7 million.

Commercial construction has continued to expand in the city in response to, and anticipation of, continued population growth, which increases the demand for consumer goods and services. The increased interest in the area by developers of master planned communities, and the high volume of homes currently planned for the area, will open the door wider to commercial investment opportunities in the city. Commercial investment in the city will continue to expand over the next several years, beginning with the new Wal-Mart Supercenter scheduled to be completed in late 2006. Other planned commercial construction projects include the addition of a new restaurant adjacent to the Holiday Inn Express and an expansion of Gas City, to include the addition of a second floor, providing office space.

Cochise County Land Transactions

In 2005, the CER began tracking vacant land transactions at the county level. In 2005, there were 3,663 vacant land transactions countywide, up 48.5 percent from 2004. The median price of land that changed ownership in 2005 was \$38,500, up 45.3 percent from a year prior. Transactions include land sold at a wide range of prices, ranging in 2005 from land that changed ownership at no cost to the new owner, to a single purchase that changed hands at a price of \$26.5 million. Approximately 20 percent of the land that changed ownership in 2005 was sold at prices at or below \$7,000, while about 20 percent was priced at \$97,000 or above. The modal price, or the price at which most vacant land parcels were sold, was \$40,000. Eliminating the lowest priced 25 percent and the highest-priced 25 percent for an inter-quartile analysis, the middle 50 percent of land sold at prices between \$11,000 and \$80,000.

Cochise County Housing Market Summary

At the county level in 2005, there were 611 closings on new homes, down 6.9 percent from 2004. The median price at closing was \$210,000, up 24 percent from a year prior. New home closings in 2005 accounted for 17.7 percent of total closings countywide. This was down from 21 percent in 2004, indicating a shift in market demand away from new home purchases.



There are currently 17 planned housing developments for the Benson area, with 25,000 homes planned over the next three decades. Photo courtesy of CER Staff.

There were 2,850 resale home closings in Cochise County in 2005. This was up 15.7 percent from 2004. The median price at closing was \$140,050, up 21.8 percent from a year prior. Resale home closings in 2005 accounted for 82.3 percent of total closings countywide. This was up from 79 percent in 2004.

In 2005, the Cochise County housing market was characterized by a shift away from new home construction and toward the purchase of existing homes, although the reverse of this was seen in the Benson area. At the county level, the number of permits for new, single-family residential construction grew at its slowest rate in years, and new home closings declined for the first time in years. At the same time, the volume of sales of existing homes grew by more than 15 percent as homeowners and investors sought to cash in their equity and capitalize on higher home prices.

But while countywide the number of new residential construction permits grew at its slowest rate in years, much of this was due to slowed growth in Sierra Vista, about 30 miles south of Benson, and the unincorporated areas in the southwest quadrant of the county. The southwest quadrant includes Sierra Vista, Huachuca City, Tombstone, and the surrounding unincorporated areas, including Hereford and Palominas. For years, the vast majority of new home construction in Cochise County has taken place in the southwest quadrant. But while growth has slowed in that area, we have begun to see a shift of the market toward the northwest quadrant, including Benson and the surrounding unincorporated areas. This was evidenced by the near doubling of new home permits in the area in 2005. With nearly 25,000 homes currently planned for the Benson area, this trend is likely to continue.

COMMERCIAL BUILDING PERMITS (NEW CONSTRUCTION), CITY OF BENSON, 2000-2005

YEAR	NUMBER	TOTAL VAUATION
2000	10	\$6,598,075
2001	6	\$1,233,197
2002	13	\$1,275,763
2003	6	\$4,552,953
2004	6	\$1,204,000
2005	4	\$646,374

Note: Price reflects value shown on building permit and does not include value of land. Source: City of Benson.

COCHISE COUNTY LAND TRANSACTIONS, 2001-2005

YEAR	NUMBER	CHANGE IN VOLUME	MEDIAN PRICE	PRICE CHANGE
2001	931	—	\$16,000	—
2002	1,893	103.3%	\$20,500	28.1%
2003	2,162	14.2%	\$20,000	-2.4%
2004	2,467	14.1%	\$26,500	32.5%
2005	3,663	48.5%	\$38,500	45.3%

Source: Bright Future Business Consultants of Tucson and Cochise College Center for Economic Research.

COCHISE COUNTY HOUSING MARKET AT A GLANCE, 2002-2005

YEAR	NEW HOME CLOSINGS	NEW HOME SALES MEDIAN PRICE	NEW HOME SALES AVERAGE PRICE	RESALE HOME CLOSINGS	RESALE HOME MEDIAN PRICE	RESALE HOME AVERAGE PRICE	NEW HOME PERMITS (SINGLE FAMILY RESIDENTIAL)
2002	330	\$148,460	\$149,937	1,884	\$89,900	\$104,438	653
2003	407	\$162,157	\$169,647	1,979	\$102,000	\$116,673	926
2004	656	\$169,421	\$179,599	2,464	\$115,000	\$128,857	1,047
2005	611	\$210,000	\$215,020	2,850	\$140,050	\$159,640	1,108

Source: Bright Future Business Consultants of Tucson and Cochise College Center for Economic Research.

Bankruptcy Filings and Bank Deposits



Bankruptcy Filings

In 2005, there were 620 bankruptcies filed from within Cochise County, up 23 percent from 504 a year prior. Adjusting for population size, Cochise County's bankruptcy rate in 2005 increased to 4.7 bankruptcies per 1,000 residents, up from 3.89 in 2004. The increase of bankruptcies in Cochise County in 2005 followed the upward trend that was also seen at the state and national level. While the county's bankruptcy rate grew by 23 percent in 2005, bankruptcies increased 28.5 percent at the state level and 30.1 percent nationally.

Despite the relatively steady increase in bankruptcies countywide since 2001 (with the exception of 2004, which saw a decline in bankruptcies), the Cochise County bankruptcy rate has remained well below state and national levels since the beginning of the new millennium. In 2005, Cochise County experienced 4.7 bankruptcies per

COCHISE COUNTY BANKRUPTCY FILINGS, 2000-2005

YEAR	POPULATION	TOTAL FILINGS	FILINGS PER 1,000 POP.
2000	117,755	469	3.98
2001	128,845	478	3.71
2002	123,945	489	3.95
2003	125,430	533	4.25
2004	129,600	504	3.89
2005	131,790	620	4.70

Source: U.S. Bankruptcy Court, Tucson Division; U.S. Census Bureau; Arizona Department of Economic Security; and Cochise College Center for Economic Research.

COMPARISONS OF BANKRUPTCY FILINGS (PER 1,000 POP.), 2000-2005

YEAR	COCHISE COUNTY	ARIZONA	UNITED STATES
2000	3.98	4.08	4.44
2001	3.71	4.79	5.23
2002	3.95	5.43	5.48
2003	4.25	5.55	5.71
2004	3.89	5.22	5.44
2005	4.70	6.49	7.01

Source: U.S. Bankruptcy Court, Tucson Division; U.S. Census Bureau; Arizona Department of Economic Security; and Cochise College Center for Economic Research.

1,000 residents, compared to 6.49 at the state level and 7.01 nationally. Between 2000 and 2005, the narrowest gap between the Cochise County bankruptcy rate and those at the state and national levels was seen in 2000, when the county rate was only 2.5 percent below the state and 10.4 percent below the national rate. Since then, the gap between Cochise County's bankruptcy rate and that of the state and nation has continued to widen. In 2005, Cochise County's bankruptcy

rate was 27.6 percent below the state level and 33 percent below the national level. This is reflective of a healthy environment for lending and borrowing, which has continued to fuel local consumption and investment spending.

Bank Deposits

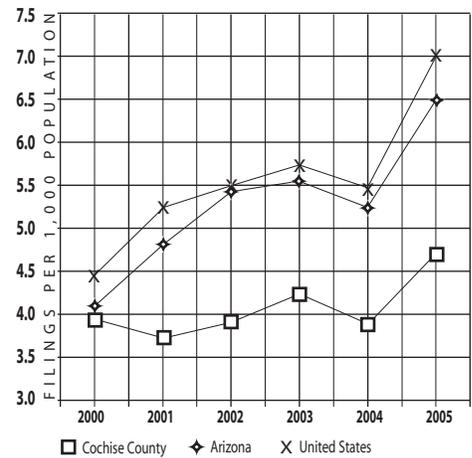
Benson is served by two banks: Bank of America and National Bank of Arizona. Bank deposits in Benson for 2005 totaled \$73.1 million, a 17.3 percent increase from 2004. At the county level, bank deposits in 2005 totaled \$905 million, an increase of 9.8 percent from a year prior. Between 2000 and 2005, bank deposits in Benson increased at an average annual rate of 6.1 percent, well ahead of the rate of inflation, which averaged 2.6 percent annually during this period. Cochise County bank deposits increased at an average annual rate of 6.9 percent during these years. Although Benson banks saw a steadily declining share of the Cochise County market between 2001 and 2004, this trend reversed itself in 2005. Between 2004 and 2005, Benson's market share increased from 7.6 to 8.1 percent of the county total.

(Note: Bank deposit data include only those deposits made to commercial banks. They do not include deposits to credit unions or other financial institutions. Annual deposits include those made each year in the 12 months ending June 30.)



Cochise County services are available in Benson at the Cochise County Regional Service Center. Photo courtesy of CER Staff.

BANKRUPTCY FILINGS (PER 1,000 POP.)



Source: U.S. Bankruptcy Court, Tucson Division; U.S. Census Bureau; Arizona Department of Economic Security; and Cochise College Center for Economic Research.

BENSON BANK DEPOSITS, SHARE OF COCHISE COUNTY MARKET, 2000-2005

YEAR	SHARE OF COCHISE COUNTY MARKET
2000	8.3%
2001	8.9%
2002	7.9%
2003	7.8%
2004	7.6%
2005	8.1%

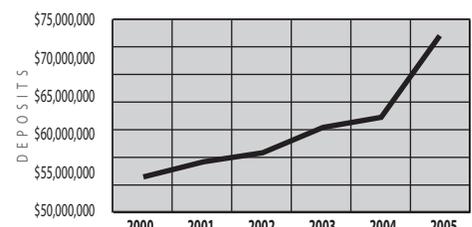
Source: Federal Deposit Insurance Company and Cochise College Center for Economic Research.

BANK DEPOSITS 2000-2005

YEAR	BENSON AMOUNT	BENSON CHANGE	COCHISE COUNTY AMOUNT	COCHISE COUNTY CHANGE
2000	\$54,395,000	5.6%	\$652,405,000	10.9%
2001	\$56,470,000	3.8%	\$637,907,000	-2.2%
2002	\$57,492,000	1.8%	\$728,857,000	14.3%
2003	\$60,314,000	4.9%	\$769,197,000	5.5%
2004	\$62,286,000	3.3%	\$824,453,000	7.2%
2005	\$73,061,000	17.3%	\$904,994,000	9.8%

Note: Data reflect total deposits as of June 30 each year. Source: Federal Deposit Insurance Company and Cochise College Center for Economic Research.

BENSON BANK DEPOSITS, 2000-2005



Source: Federal Deposit Insurance Company and Cochise College Center for Economic Research.

Fort Huachuca



A historic picture of Ft. Huachuca. Photo courtesy of Sierra Vista Convention and Visitors Bureau.

Fort Huachuca, a National Historic Landmark, is located about 30 miles south of Benson. Fort Huachuca is a product of the Indian wars of the 1870s and 1880s. In 1877, the commander of the Department of Arizona ordered that a camp be established in the Huachuca Mountains to protect settlers and travel routes in southeastern Arizona and block traditional Apache escape routes through the San Pedro and Santa Cruz valleys to sanctuary in Mexico. A temporary camp was established at the post's current location that year. Camp Huachuca was designated a fort in 1882.

Geronimo's surrender in 1886 all but ended the Apache danger in southern Arizona, and the Army closed more than 50 camps and forts in the territory. Fort Huachuca was retained due to continuing border troubles. In 1913, the 10th Cavalry "Buffalo Soldiers" arrived and remained for nearly 20 years. The 10th Cavalry joined General John J. Pershing in the 1916 expedition into Mexico. During World War I, the fort was assigned the mission of guarding the U.S.-Mexican border.

Following World War II, the fort was declared surplus and transferred to the State of Arizona. It was reactivated during the Korean War by the Army Corps of Engineers. In 1954, control passed to the chief signal officer, who found the area and climate ideal for testing electronic and communications equipment, a characteristic that remains today.

In 1967, Fort Huachuca became the headquarters of the U.S. Army Strategic Communications Command. In 1971, the fort became home to the U.S. Army Intelligence Center and School. Also in 1971, the fort was annexed into Sierra Vista, bringing additional tax revenue to Cochise County.

The Strategic Communications Command became the U.S. Army Communications Command in 1973. Eleven years later, it became the U.S. Army Information Systems Command. In October 1990, the U.S. Army Training and

Doctrine Command became the new host command. The U.S. Army Intelligence Center and Fort Huachuca currently operates the post. Today, Fort Huachuca is a major military installation in Arizona, and one of prominence throughout the southwest. Units on the fort include the Joint Interoperability Test Command; Raymond W. Bliss Army Community Health Center; the U.S. Army Communications-Electronics Command; U.S. Army Electronic Proving Ground; U.S. Army Information Systems Engineering Command; U.S. Army Intelligence Center; and U.S. Army Network Enterprise Technology Command.

In 2005, Fort Huachuca became home to the world's largest Unmanned Aerial Vehicle (UAV) training facility with the opening of a \$10 million, 25,000-square-foot UAV System Training Center Annex, bringing the total UAV training area to 125,000 square feet. Earlier in 2005, the Association for Unmanned Vehicle Systems International announced the creation of a Saguaro Chapter in Southern Arizona.

Economic Impact

In 2005, Fort Huachuca remained Cochise County's top employer, with 12,204 full-time equivalent (FTE) employees (Note: An FTE employee is equal to one full-time or two part-time employees). Additionally, the fort is listed as Southern Arizona's top employer by the *Arizona Daily Star*, *Star 200: The Major Employers of Southern Arizona*.

The *Annual Economic Impact Statement* for fiscal year 2003, released by Directorate of Resource Management at Fort Huachuca, concluded that 28.1 percent of the total jobs in Cochise County were directly related to the presence of the fort. The report estimated the fort's direct economic impact on Cochise County at \$622.6 million.

In September 2003, the fort's noonday population was 15,566 (Note: The noonday population represents the average maximum number of people on the fort). This included 3,765 assigned military personnel; 2,062 students; 3,627 military family members living on post; 2,660 Department of Defense (DoD) civilian employees; and 3,452 non-DoD civilian workers (e.g., post office employees, teachers, contractors, and concessionaires). Additionally, there were 3,176 military retirees residing in the local area who collected \$67.3 million in retirement pay in fiscal year 2003, according to the impact statement. As of September 30, 2004, according to the Fort Huachuca Public Affairs Office, there were 5,500 active-duty military personnel (permanently assigned personnel and students); 2,700 DoD employees; and 4,000 DoD contractor personnel.

According to the 2003 impact statement, there were 1,652 family housing units, 250 temporary lodging units, and 3,151 troop billeting spaces on the fort. In 2003, a total of 1,402 military personnel resided off-post; of these, 21.6 percent owned homes (including manufactured homes), 33.2 percent rented homes, and 45.2 percent rented apartments.

Cochise County Agriculture



Agriculture in Cochise County contributed 15,875 jobs, or 30 percent of countywide jobs in 2005.

In 2005, agriculture in Cochise County accounted for 15,875 jobs or 30 percent of all jobs countywide. This was down from 16,200 jobs in 2004, or 31.5 percent of the county's workforce. Between 2001 and 2005, the number of agriculture jobs in Cochise County grew by 1,125 for total job growth of 7.6 percent. The average annual job growth rate in the county's agricultural industry during this period was 1.9 percent. The agricultural industry in Cochise County experienced strong job growth of 4.4 percent in both 2002 and 2003. This slowed to a modest increase of 0.8 percent in 2004, and agriculture jobs declined in 2005 by 2 percent, according to estimates by the Arizona Department of Economic Security.

Major crops in Cochise County include corn, wheat, barley, oats, dry edible beans (excluding limas), sorghum, and forage land (alfalfa and hay). Livestock inventories consist primarily of cattle and calves (primarily beef cows), layers, sheep and lambs, and hogs and pigs.

Between 1997 and 2002, the most recent data available, the number of farms in Cochise County grew by 126, or 15.3 percent, from 824 to 950. This was mostly the result of a deconsolidation of farmland, evidenced by the decline in total farm acreage from nearly 1.3 million acres in 1997 to less than 970,000 acres in 2002, despite the growth in the number of farms. The average farm size in the county declined from more than 1,500 acres in 1997 to about 1,000 acres in 2002.

Although the size of farms decreased between 1997 and 2002, the value of land and buildings on farms increased. Countywide, the total value of land and buildings on farms grew from \$546,000 to \$705,000, an increase of 29.2 percent, for an inflation-adjusted growth of 17.1 percent. The average market value of land and buildings per acre of farmland grew by 81.3 percent, from \$348 to \$631, for an inflation-adjusted increase of 69.2 percent. The estimated market value of machinery and equipment per farm in Cochise County grew from \$41,000 to \$53,000 between 1997 and 2002, an inflation-

adjusted increase of 17.4 percent.

The changing structure of farms in Cochise County has been characterized by an increase in the number of small farms and a simultaneous decrease in the number of larger farms. The number of farms that were less than 10 acres each nearly doubled between 1997 and 2002, growing from 60 to 110. At the same time, the number of farms that were 500 acres or more dropped from 316 to 255. In terms of the market value of agricultural products sold, the number of farms with annual sales valuing less than \$2,500 grew by 72.9 percent from 210 to 363. At the same time, the number of farms with sales of \$100,000 or more declined by 7 percent from 129 to 120. In the years between 1997 and 2002, the county also saw a large decline in the number of farms with sales totaling between \$10,000 and \$24,999, which dropped 31.5 percent from 162 to 111.

Although the area of farmland in Cochise County has been on the decline, the market value of agricultural products sold grew 30.2 percent from \$60.2 to \$78.3 million, for an inflation-adjusted increase of 18.1 percent over the five-year period. The majority of these products were crops, which comprised 71.2 percent of total agricultural products countywide in 2002, up from 68.2 percent in 1997. The market value of crops in 2002 was \$55.7 million, up 35.5 percent from \$41.1 million in 1997, for an inflation-adjusted increase of 23.4 percent. This was the result of a shifting of land resources from livestock, poultry, and their products to crops, as evidenced by a 13 percent increase in acres of cropland, while the overall acreage of farms in the county dropped by 23.1 percent.

In looking at Cochise County's agricultural sector, a clear pattern emerges. Between 1997 and 2002, the county saw a shift from large, consolidated farms to smaller, more productive farms. Although the total acreage of farms in the county decreased significantly, the total output expanded along with the value of land, buildings, and machinery. This is likely attributable to the development and procurement of more technologically advanced equipment, making farms less labor intensive, as well as the more efficient use of land resources to increase output per acre.

COCHISE COUNTY AGRICULTURAL EMPLOYMENT

YEAR	NUMBER OF JOBS	CHANGE	% CHANGE
2001	14,750	—	—
2002	15,400	650	4.4%
2003	16,075	675	4.4%
2004	16,200	125	0.8%
2005	15,875	-325	-2.0%

Source: Source: Arizona Department of Economic Security and Cochise College Center for Economic Research.

COCHISE COUNTY AGRICULTURE

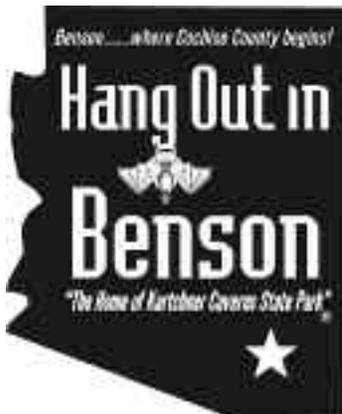
	2002	1997	CHANGE	% CHANGE
Farms (number).....	950	824	126	15.3%
Land in farms (acres).....	969,253	1,260,021	-290,768	-23.1%
Land in farms - Average size of farm (acres).....	1,020	1,529	-509	-33.3%
Estimated market value of land and buildings - Average per farm (dollars).....	\$704,895	\$545,528	\$159,367	29.2%
Estimated market value of land and buildings - Average per acre (dollars).....	\$631	\$348	\$283	81.3%
Estimated market value of all machinery and equipment - Average per farm (dollars).....	\$53,260	\$41,138	\$12,122	29.5%
Farms by size - 1 to 9 acres.....	110	60	50	83.3%
Farms by size - 10 to 49 acres.....	211	135	76	56.3%
Farms by size - 50 to 179 acres.....	227	172	55	32.0%
Farms by size - 180 to 499 acres.....	147	141	6	4.3%
Farms by size - 500 to 999 acres.....	74	97	-23	-23.7%
Farms by size - 1,000 acres or more.....	181	219	-38	-17.4%
Total cropland (farms).....	557	446	111	24.9%
Total cropland (acres).....	131,382	116,018	15,364	13.2%
Irrigated land (farms).....	460	379	81	21.4%
Irrigated land (acres).....	64,593	63,252	1,341	2.1%
Market value of agricultural products sold (\$1,000).....	\$78,307	\$60,154	\$18,153	30.2%
Market value of agricultural products sold - Average per farm (dollars).....	\$82,429	\$73,003	\$9,426	12.9%
Market value of agricultural products sold - Crops (\$1,000).....	\$55,737	\$41,054	\$14,683	35.8%
Market value of agricultural products sold - Livestock, poultry, and their products (\$1,000).....	\$22,570	\$19,101	\$3,469	18.2%
Farms by value of sales - Less than \$2,500.....	363	210	153	72.9%
Farms by value of sales - \$2,500 to \$4,999.....	97	84	13	15.5%
Farms by value of sales - \$5,000 to \$9,999.....	118	100	18	18.0%
Farms by value of sales - \$10,000 to \$24,999.....	111	162	-51	-31.5%
Farms by value of sales - \$25,000 to \$49,999.....	82	81	1	1.2%
Farms by value of sales - \$50,000 to \$99,999.....	59	58	1	1.7%
Farms by value of sales - \$100,000 or more.....	120	129	-9	-7.0%

Source: U.S. Department of Agriculture and Cochise College Center for Economic Research.

Tourism



Benson is the Home of Kartchner Caverns State Park®.
Photo courtesy of ©Arizona State Parks.



Benson, located in the historic San Pedro Valley, serves as the western gateway to many scenic and historic attractions in Cochise County, including Kartchner Caverns, Fort Huachuca, the Amerind Foundation, Cochise Stronghold, and the cities of Tombstone and Bisbee. Benson and the surrounding areas have attractions and activities that are internationally renowned and attract tens of thousands of visitors annually. Combined, Cochise County tourist attractions lure nearly half a million visitors to the area each year.

Cultural heritage destinations, especially those in Arizona's Old West territory, have become increasingly popular among tourists. The days of wagon trains and pioneers, Indian raids, and the Buffalo Soldiers in the western territories characterize the area's history. Of interest to tourists are ghost towns, which symbolize the lawlessness of the Old West. These romanticized outcroppings of abandoned buildings draw visitors from all over the world to learn about life as it once was for the farmers, ranchers, prospectors, and cowboys of the Old West.

BENSON VISITOR CENTER, VISITOR COUNTS, 2001-2005

	1ST QTR	CHANGE	2ND QTR	CHANGE	3RD QTR	CHANGE	4TH QTR	CHANGE	ANNUAL	CHANGE
2001.....	6,986	---	3,316	---	2,260	---	3,003	---	15,565	---
2002.....	5,644	-19.2%	3,038	-8.4%	2,189	-3.1%	3,021	0.6%	13,892	-10.7%
2003.....	5,804	2.8%	2,772	-8.8%	1,149	-47.5%	1,962	-35.1%	11,687	-15.9%
2004.....	5,287	-8.9%	2,868	3.5%	1,579	37.4%	2,449	24.8%	12,183	4.2%
2005.....	5,719	8.2%	2,397	-16.4%	1,384	-12.3%	2,336	-4.6%	11,836	-2.8%

Source: Benson Visitor Center, Arizona Office of Tourism, and Cochise College Center for Economic Research.

Benson's Railroad Heritage

Benson was founded in 1880 prior to Arizona's mining boom and developed as a stopping point for the Butterfield Overland Stage mail delivery route. Soon thereafter, the Southern Pacific Railroad, coming overland from California, chose the Benson site to cross the San Pedro River. A junction point was established to obtain ore from, and ship freight to, the mines at Tombstone, Fairbank, Contention and Bisbee. Copper and silver ore was brought in covered wagons to Benson and then shipped out on the railroad. The Southern Pacific continued to serve the area until 1997, when Union Pacific purchased the line.

Benson's culture is steeped with the Old West and traditional railroad heritage. The Benson Visitor Center train depot, located in the heart of Benson's historic downtown, is a replica railroad depot using many of the same architectural features as the original depot that was built more than a century ago. The Benson Visitor Center provides brochures on the city's Historic Walking Tour, which highlights Benson's history, architecture, and people. For more information, visit www.bensonvisitorcenter.com.

Kartchner Caverns

The City of Benson is known as the home of Kartchner Caverns. Kartchner Caverns State Park is located on 550 acres at the foothills of the Whetstone Mountains, 12 miles south of Benson along State Route 90. The caverns were discovered in 1974 and their existence was made public in 1988, when its purchase was approved as an Arizona State Park.

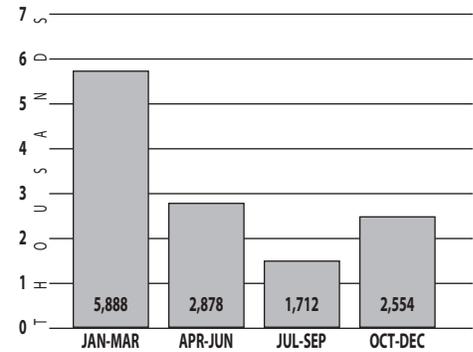
Kartchner Caverns is home to one of the world's longest soda straw stalactites; the tallest and most massive column in Arizona; the world's most extensive formation of brushite moonmilk; the first reported occurrence of "turnip" shields; the first cave occurrence of "birdsnest" needle quartz formations; and many other unusual formations such as shields, totems, helictites, and rimstone dams.

In 2005, according to the Arizona Office of Tourism (AOT), Kartchner Caverns was the fourth most visited state park in Arizona, behind only Lake Havasu, Slide Rock, and Lake Patagonia. In 2005, visits to Kartchner Caverns accounted for about 8 percent of all visits to Arizona state parks. Between 2000 and 2005, an average of more than 192,000 visitors each year visited the park. In 2004, Kartchner Caverns was 15th on AOT's list of the Top 25 Natural Attractions in Arizona, as measured by annual visitations.

Kartchner Caverns State Park offers picnicking, camping, hiking, walking and the magnificent living caverns.

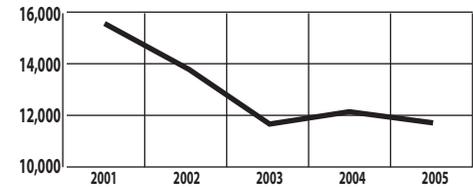
For more information, visit www.pr.state.az.us/Parks/parkhtml/kartchner.

BENSON VISITOR CENTER, VISITOR COUNTS, AVERAGE BY QUARTER



Based on data from 2001-2005. Source: Benson Visitor Center, Arizona Office of Tourism, and Cochise College Center for Economic Research.

BENSON VISITOR CENTER, VISITOR COUNTS, 2001-2005



Source: Benson Visitor Center, Arizona Office of Tourism, and Cochise College Center for Economic Research.

COCHISE COUNTY NATIONAL PARK VISITATIONS, 2001-2006

YEAR	CHIRICAHUA NATIONAL MONUMENT		CORONADO NATIONAL MEMORIAL		FORT BOWIE NATIONAL HISTORIC SITE	
	VISITATIONS	CHANGE	VISITATIONS	CHANGE	VISITATIONS	CHANGE
2001	75,824	—	89,107	—	8,858	—
2002	67,040	-11.6%	87,311	-2.0%	8,290	-6.4%
2003	44,976	-32.9%	89,309	2.3%	8,445	1.9%
2004	37,586	-16.4%	89,591	0.3%	9,483	12.3%
2005	60,224	60.2%	86,618	-3.3%	9,656	1.8%
2006*	23,628	1.4%	24,097	0.4%	4,211	20.8%

*January-March only; change based on comparison to same period one year prior. Note: Includes recreational visits only. Source: National Park Service and Cochise College Center for Economic Research.

COCHISE COUNTY STATE PARK VISITATIONS, 2001-2006

YEAR	KARTCHNER CAVERNS STATE PARK		TOMBSTONE COURTHOUSE STATE HISTORIC PARK	
	VISITATIONS	CHANGE	VISITATIONS	CHANGE
2001	192,289	--	74,519	--
2002	191,661	-0.3%	63,935	-14.2%
2003	183,437	-4.3%	49,061	-23.3%
2004	203,464	10.9%	50,124	2.2%
2005	179,129	-12.0%	50,232	0.2%
2006*	57,040	-19.9%	16,745	-5.8%

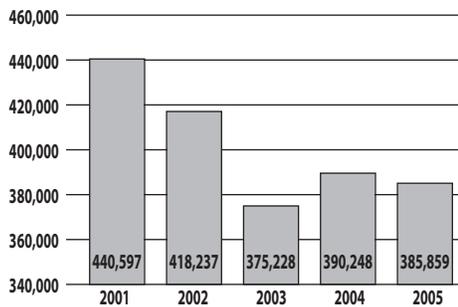
*January-March only; change based on comparison to same period one year prior. Source: Arizona State Parks Board and Cochise College Center for Economic Research.

COCHISE COUNTY STATE AND NATIONAL PARKS, TOTAL VISITATIONS, 2001-2005

	STATE AND NATIONAL PARK VISITATIONS	CHANGE
2001	440,597	-
2002	418,237	-5.1%
2003	375,228	-10.3%
2004	390,248	4.0%
2005	385,859	-1.1%

Note: Includes all state and national parks in Cochise County. National park data include only recreational visitations. Source: National Park Service, Arizona State Parks Board, and Cochise College Center for Economic Research.

COCHISE COUNTY STATE AND NATIONAL PARK VISITATIONS, 2001-2005



Note: Includes all state and national parks in Cochise County. National park data include only recreational visitations. Source: National Park Service, Arizona State Parks Board, and Cochise College Center for Economic Research.

The Amerind Foundation

The Amerind Foundation is located 12 miles east of Benson in Texas Canyon. The foundation is an anthropological and archaeological museum and research center dedicated to the preservation and interpretation of Native American cultures and their histories. Amerind Museum exhibitions tell the story of America's first peoples from Alaska to South America and from the last Ice Age to the present. Amerind's Fulton-Hayden Memorial Art Gallery features works on western themes by such artists as Harrison Begay, Carl Oscar Borg, William Leigh, Frederic Remington, and Andy Tsihnahjinnie. The museum store offers southwestern arts and crafts and books on prehistory, history, and Native American cultures. The museum and art gallery are housed in Spanish Colonial Revival-style buildings designed by noted Tucson architect Merritt Starkweather.

On Native Arts weekends, visitors to the Amerind Foundation will find Native American artists demonstrating their skills in the museum's main gallery. The Amerind also has a comprehensive hands-on education program for children of all ages. Special events and openings are a periodic feature of the Amerind calendar. Many people come to Amerind to experience the native plants, birds, and solitude of the high desert. A secluded picnic area offers a quiet retreat amidst the massive granite boulders of Texas Canyon.

In addition to its museum and public programs, the Amerind Foundation's archaeological and ethnographic collections, research library, and archives are important resources for scholars conducting research on southwestern anthropology, archaeology, history, and Native American studies. Amerind's resident scholar and advanced seminar programs address important research issues in anthropology, archaeology, and related disciplines. Seminar proceedings are regularly published in Amerind's New World Studies Series through the University of Arizona Press.

Cochise Stronghold

Cochise Stronghold, a historic site located within the Coronado National Forest, is the rocky fortress where the famed Chiricahua Apache Chief Cochise and about 1,000 of his followers held out against the U.S. Cavalry in the 1860s. The site is managed by the Douglas Ranger District and is a popular day trip from Benson.

Within the Stronghold is a hiking/equestrian trail that goes from the East Cochise Stronghold Campground, over the Stronghold Divide, and down into the West Stronghold Canyon. This was originally an Indian trail and is approximately 4.75 miles one way. The Interpretive Trail consists of a short loop - approximately 0.12 miles - among the oaks and junipers, with information along the way about the Stronghold, Cochise, and his descendants. The self-guided Nature Trail is approximately 0.4 miles long. It forms a rough horseshoe shape and involves some uphill (and downhill) climbing. For more information, visit www.cochisestronghold.com.



Kartchner Caverns State Park® is the fourth most visited state park in Arizona. Photo courtesy of © Arizona State Parks.

Gammons Gulch Ghost Town Movie Set

Gammons Gulch Ghost Town Movie Set is located north of Benson in the high desert of Cochise County. Gammons Gulch has a collection of antiques, old cars and movie memorabilia. The movie set location offers self-guided tours or personalized tours of the set's Old West Town. The high desert film location has been a destination point for RV clubs who stay in RV resorts in Benson. For more information, visit www.gammonsgulch.com.

Holy Trinity Monastery

The Holy Trinity Monastery is located nine miles south of Benson on State Route 80. It features a bookstore, gift shop, library, oriental garden, museum, art gallery, bird sanctuary and thrift shop. The monastery holds seasonal festivals that attract hundreds of visitors. For more information, call (520) 720-4642.

San Pedro Riparian National Conservation Area

The San Pedro Riparian National Conservation Area, managed by the Bureau of Land Management, extends from St. David (just south of Benson along State Route 80) to Naco, Sonora, Mexico. The San Pedro House is located just off State Route 90 between Sierra Vista and Bisbee. The conservation area has more than 50,000 acres, with quantities of wildlife and vegetation, including more than 350 species of migrating and breeding birds – nearly one-half the number of known breeding species in North America. Bird and wildlife watchers, as well as nature lovers, visit the 40 miles of riverbank along the San Pedro River. With more than 250 recorded prehistoric and historic sites, the area offers bird watching, wildlife viewing, photography, hiking, camping, seasonal hunting, horseback riding, nature studies, and environmental education. For more information, call Fairbanks BLM Headquarters at (520) 586-3467.

Benefits of Tourism

According to the Arizona Office of Tourism (AOT), tourism saves each Arizona household \$683.73 in taxes each year, which includes \$515.96 in state taxes and \$167.77 in local taxes. The AOT has dedicated funding and resources to assist rural communities in marketing their tourism-related products and services. AOT has also developed a series of customer service and grant workshops to assist Arizona's rural communities in their tourism-related efforts. Additionally, AOT has collaborated with the Arizona Council for Enhancing Recreation and Tourism (ACERT) to assist rural communities with tourism and recreation enhancement throughout the state. For more information, visit the AOT website at www.azot.com.

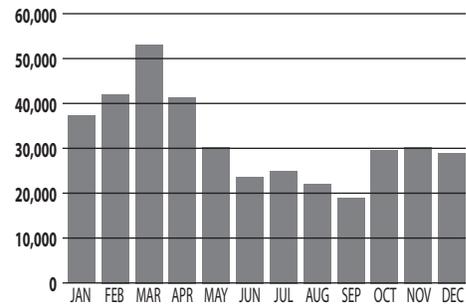
Cochise County communities, including Benson, have joined together, forming the Cochise County Tourism Council (CCTC). The marketing efforts of the CCTC, which are funded by the individual communities, Cochise County, and grant dollars received from the AOT programs, represent Cochise County as a single entity. For more information, visit www.explorecochise.com.

The Local Tourism Industry

Tourism in Benson has been on the decline in recent years. There are several likely reasons for this. One is a return to normality after the initial spike in tourism generated by the opening of Kartchner Caverns State Park in late 1999. The opening of the caverns generated an unsustainable peak in local tourism.

Another contributor to declining tourism was a combination of international events, including the war in Iraq and the performance of the U.S. dollar in the foreign exchange market. When the war in Iraq began in 2003, concerns over international travel to the United States likely contributed to the 15.9 percent decline in visits to the Benson Visitor Center, and the associated 10.3 percent decline in visits that year to state and national parks throughout Cochise County. This same trend was seen at the

COCHISE COUNTY STATE AND NATIONAL PARK AVERAGE MONTHLY VISITATION



Note: Based on data from 2003-2005. Includes all state and national parks in Cochise County. National park data include only recreational visitations. Source: National Park Service, Arizona State Parks Board, and Cochise College Center for Economic Research.

COCHISE COUNTY STATE AND NATIONAL PARKS, AVERAGE MONTHLY VISITATIONS

MONTH	AVERAGE MONTHLY VISITATION
January	37,241
February	42,049
March	52,903
April	41,406
May	30,612
June	23,743
July	24,969
August	22,173
September	19,031
October	30,065
November	30,599
December	28,964

Note: Based on data from 2003-2005. Includes all state and national parks in Cochise County. National park data include only recreational visitations. Source: National Park Service, Arizona State Parks Board, and Cochise College Center for Economic Research.

state level. The waning of these concerns, and the strong performance of international currencies, particularly the Euro, led to the rebound of the local tourism industry in 2004. As the dollar declines against international currencies, travel to the United States, including Cochise County and Benson, becomes a more affordable and thus attractive option for foreign travelers. In 2004, declining uncertainty over the war in Iraq and a weakening U.S. dollar helped contribute to a 4.2 percent increase in visits to the Benson Visitors Center and a 4 percent increase in visitations to state and national parks located in Cochise County.

Much of the strength of the Euro in 2004 was the result of speculation and premature confidence in the advancement of the European Union Constitution. If ratified, the constitution would have potentially solidified the relationship between the European nations and strengthened the economic vitality of that region. Also, the increasing U.S. national debt and international trade deficit likely combined to contribute to the decline of the U.S. dollar on the foreign exchange market. These factors supported a strong tourism industry locally in 2004.

But in 2005, when the French and Dutch failed to ratify the new European Union Constitution, the premature confidence and the resulting speculation in the Euro came to an end. This caused the Euro to fall relative to the dollar, raising the cost of travel to the United States for European travelers. This, combined with rising gas prices in the fourth quarter of 2005, resulting from Hurricane Katrina and other Gulf Coast storms, along with a worldwide increase in the demand for oil, caused tourism in the Benson area and Cochise County to again decline.

In the opening months of 2006, higher gas prices continued to discourage domestic tourism, slowing the local tourism industry. According to the Arizona Office of Tourism's 2004 Regional Profiles, 70 percent of domestic visitors to southeastern Arizona's Old West territory travel to the area by automobile. Higher gasoline prices serve as a disincentive to such travel. Furthermore, the failure of the Euro to recover substantially from the 2005 drop will likely continue to slow local tourism. According to AOT's International Visitation profile, 26 percent of international visitors to Arizona are from nations on the Euro currency.

Local Tourism Trends

January through March is the busiest season for the Benson Visitor Center. Between 2003 and 2005, the visitor center received an average of 5,888 visitors in the first quarter of each year. The slowest quarter of the year for visitors has been July through September, which has seen an average visitor count of 1,712.



The San Pedro Arts & Historical Society was founded in 1975. Photo courtesy of CER Staff.

Countywide, the month of March sees the largest number of visitors to Cochise County. Between 2003 and 2005, the month of March has seen an average of 53,000 visitors to the county's state and national parks. The slowest month of the year for visitations to the county's state and national parks is September, which has seen an average of about 19,000 visitors over the past few years.

Seasonal trends in local tourism are tied to the area's weather. Generally, as the temperature goes up, the visitor

count goes down. March, which sees the largest number of visitors, has an average daily high of 71 degrees Fahrenheit. September, which sees the lowest number of visitors, has an average high of 90 degrees.

Cochise County Lodging Indicators

In 2005, according to the Arizona Office of Tourism (AOT) and Smith Travel Research, Cochise County's lodging industry performed well, despite indications of declining tourism as measured by park visitations. According



A view from inside Kartchner Caverns State Park®.
Photo courtesy of © Arizona State Parks.

to AOT, Cochise County's occupancy rate increased by 7.3 percent in 2005, from 64.6 to 69.4 percent. This was well ahead of statewide growth in occupancy rates of 4.9 percent and more than double the nationwide growth of 2.9 percent. Cochise County's occupancy rate of 69.4 percent in 2005 was the second highest of Arizona's counties, behind only Yuma County which had an occupancy rate of 72.2 percent. In 2005, the occupancy rate statewide was 65.9 percent, while nationally it was 63.1 percent.

The average daily room rate in Cochise County increased 6.2 percent in 2005, from \$52.14 to \$55.55. Despite this increase, Cochise County's average daily room rate in 2005 was nearly 40 percent below both the state and national rates. The 2005 increase of 6.2 percent in the average daily room rate was below that of the state, which saw rates increase 7.3 percent. Nationally, the average daily room rate in 2005 increased by 5.3 percent.

Despite Cochise County's low average daily room rate, revenue generated per available room in the county in 2005 was up 13.8 percent from \$33.69 to \$38.53. This was the third highest rate of increase in the state, behind only Graham and Pima counties. However, despite the large increase in revenue generated per available room in Cochise County, the county rate remained about 36 percent below the state level and 33 percent below the national level.

Lodging room demand in Cochise County was up 5.5 percent in 2005, the same rate of increase as that seen at the state level, and significantly ahead of the 3.3 percent increase seen at the national level. Lodging room supply in Cochise County was down 1.5 percent in 2005, compared to a 0.6 percent increase at the state level and a 0.4 percent increase nationally.

For the first quarter of 2006, Cochise County's occupancy rate was 74.8 percent, up 1.1 percent from the same period in 2005. The average daily room rate in Cochise County for the first quarter was \$57.41, up 3.2 percent from a year prior. Revenue generated per available room in the county in the first quarter of 2006 was \$42.96, up 4.3 percent from the same period of 2005. Demand at the county level was up 2.4 percent and supply was up 1.3 percent in the first-quarter comparisons.

Benson's Hospitality Sector

A city's hospitality sector, including accommodation and restaurant and bar receipts, gives an indication of the vitality of the local tourism industry. In 2005, accommodation (hotel, motel, and other lodging) receipts in Benson increased by 12.6 percent, from \$3.1 to \$3.5 million, reflecting robust real growth of 9.2 percent. Despite this strong growth in accommodation sales, however, Benson's accommodation

BENSON CALENDAR OF EVENTS

The Benson area offers a variety of cultural and community activities and events, listed on the calendar below. For more information, contact the Benson Visitor Center at (520) 586-4293, info@bensonvisitorcenter.com, or www.bensonvisitorcenter.com. To find out more information on special events and activities scheduled throughout Cochise County, visit www.explorecochise.com.

ALL YEAR ...Bird Watching & Hiking - Benson's Birding Trail & Waterfowl Viewing Pond offers year-round birding, hiking, and nature experiences. For more information, contact the Benson Visitor Center at (520) 586-4293 or visit www.bensonvisitorcenter.com and click on the Nature Opportunities button.

2006

JULY 4 ...4th of July Celebration, The festivities will start with a parade and continue at Lions Park with the annual water fight and entertainment all day long. In the evening there is a fireworks show.

22 ... **Steelhead Triathlon**, Ft. Huachuca

OCT 7-8 ...4th Annual Cienega Creek Farm Days - Includes alpacas, llamas, goats, emu, and poitou donkeys with petting area for children, refreshments, spinning, weaving, and felting demonstrations. Llama and alpaca fleece, roving, and yarn in finished products will be offered for sale. 9am-4pm. Free admission. For directions and details, call (520) 586-3920, fax (520) 586-9874, email info@cienegacreek.com or visit www.cienegacreek.com

14-15 **Butterfield Overland Stage Days**/Butterfield Rodeo & Dance

20-22 **Biker Rodeo**, Big Boy's Arena

NOV 11-12 Festival of the Arts at the Holy Trinity Monastery

26 ... Singing Wind Bookshop's **Thanksgiving Fiesta of Books**

DEC 2-3 ...Cascabel Christmas Fair, also known as the San Pedro River Christmas Fair - Several sites along Cascabel Road from mile marker 15 to mile marker 21.

9 ... **Christmas on Main Street** - Downtown area of 4th Street between San Pedro and Gila streets. There will be craft and food vendors, entertainment by the area school choirs, and a visit by Santa Claus. Finishes with a parade of lights on Saturday night.

2007

JAN 29 ...Singing Wind Bookshop's Cowboy/Cowgirl Roundup - Readings and music by cowboy poets, fiction writers, and western historians.

FEB 5 ...Singing Wind Bookshop Poetry Reading - Includes poetry readings by nationally renowned poets, in conjunction with the University of Arizona's Helen S. Shaefer Poetry Center. Free admission. Starts at 1pm. Located at 700 West Singing Wind Road, Benson. Call (520) 586-2425 for directions.

10-11 **Territorial Days** - Celebrating Arizona Statehood in Lions Park - hosted annually by the Benson Merchants Association with proceeds supporting local student scholarships and civic projects. Event includes entertainers, dancing, singing, cake walk, petting zoo, mesquite grilled food, crafts, vendors, arts and crafts, carnival, beard contest, and door prizes. For more information, call (520) 586-9706.

26 ... Singing Wind Bookshop **"Birding in the Southwest"** - Readings center on a chosen theme. Starting at 1pm. Free admission. Located at 700 West Singing Wind Road, Benson. Call (520) 586-2425 for details and directions.

APR TBD ...Kartchner Caverns State Park - "Above Ground" Activities & Programs

MAY 5-6 ...Bluegrass in the Park - Hosted by the Benson Chamber of Commerce & Benson Visitor Center, two-day festival features well-known American bluegrass bands. Dry camping available for RV's, as well as jam sessions after the performances. Food and craft vendors and music workshops taught by well-known bluegrass musicians.

TBD ... **Fiesta de la Primavera**

TBD: To Be Determined

receipts in 2005 accounted for 12.5 percent of the county total, down from 13.3 percent in 2004. However, Benson continues to capture a relatively large share of the county's accommodation receipts, due primarily to the city's location along Interstate 10, making it a convenient overnight stop, as well as the city's proximity to Kartchner Caverns, the most popular, single tourist attraction in Cochise County as measured by annual visitations.

In 2005, restaurant and bar receipts in Benson totaled \$10.7 million, up 10.9 percent from 2004. This represents robust inflation-adjusted growth of 7.5 percent. The strong growth in 2005 reflects a rebound from a year prior, when sales were down by 6 percent after adjusting for inflation. In 2005, Benson's restaurant and bar sales accounted for 11 percent of the county total, up from 10.8 percent in 2004.

For more information on Benson's hospitality sector sales, visit the Retail and Trade section of this publication.

The Film Industry in the Benson Area

Throughout the years, the Benson area has been involved with feature films and television segments and episodes. The film industry provides a boost to the local economy via the recruitment of support workers and film extras and the spending of per diem in the local area. Movies that have been filmed in the Benson area include:

- Trigon: The Legend of Pelgidium, starring Denise Crosby, Robert McRay, Zen Gesner, Angus Scrimm, and Stefan Gierasch.
- South of Heaven, West of Hell, starring Dwight Yoakam, Peter Fonda, Bridget Fonda, Vince Vaughn, Joe Ely, Billy Bob Thornton, and Paul Reubens.
- Buffalo Soldiers, starring Danny Glover and Mykelti Williamson.
- The Magnificent Seven, starring Michael Biehn, Ron Perlman, Eric Close, Andrew Kavovit, Dale Midkiff, Rick Worthly, and Anthony Starke.
- Los Locos, starring Mario Van Peebles.
- Ruby, Jean and Joe, starring Tom Selleck.
- Legend, starring Richard Dean Anderson, John de Lancie, and Mark Adair Rios.
- Pontiac Moon, starring Ted Danson, Mary Steenburgen, Ryan Todd, Cathy Moriarty, Eric Schweig, Frank Carl Fisher Jr., Max Gail, and Lisa Jane Persky.
- Terminal Velocity, starring Charlie Sheen and Natassja Kinski.
- Timemaster, starring Pat Morita, Joanna Pacula, and Jesse Cameron Glickenhaus.
- The Quick and the Dead, starring Sharon Stone, Gene Hackman, and Leonardo DiCaprio.
- Tombstone, starring Kurt Russell, Val Kilmer, Jason Priestley, Sam Elliott, Dana Delany, Billy Zane, Powers Boothe, and Michael Biehn.
- Gunsmoke V, starring James Arness, Bruce Boxlightner, and Kelly Morgan.
- Posse, starring Mario Van Peebles, Melvin Van Peebles, Stephen Baldwin, and Woody Strode.
- Stay Tuned, starring John Ritter and Pam Dawber.
- Horse Opera, starring Rik Mayall and Gina Bellman.
- The Young Riders, starring Josh Brolin, Greg Rainwater, Stephen Baldwin, Ty Miller, Yvonne Suhor, Travis Fine, Anthony Zerbe, Don Franklin, and Clare Wren.
- Jesse, starring Lee Remick and Scott Wilson.
- Ghost Town, starring Catherine Hickland and Franc Luz.
- Buckeye and Blue, starring Corbin Benson and Nick Cassavetes.
- Stagecoach, starring Waylon Jennings and Johnny Cash.
- September Gun, starring Robert Preston and Patty Duke.
- I Married Wyatt Earp, starring Marie Osmond and Bruce Boxleitner.
- The Frisco Kid, starring Gene Wilder and Harrison Ford.
- Tom Horn, starring Steve McQueen.

- The Sacketts, starring Glenn Ford and Ben Johnson.
- The Outlaw Josey Wales, starring Clint Eastwood and Chief Dan George.
- Monte Walsh, starring Lee Marvin and Jeanne Moreau.
- Cimarron, starring Glenn Ford, Maria Schell, Anne Baxter, Vic Morrow, and Henry (Harry) Morgan.
- Dirty Dingus Magee, starring Frank Sinatra, George Kennedy, Anne Jackson, Lois Nettleton, Jack Elam, and Harry Carey, Jr.
- The Life and Times of Judge Roy Bean, starring Paul Newman, Ava Gardner, Jacqueline Bissett, Anthony Perkins, Stacy Keach, and Tab Hunter.
- The Hanged Man, starring Steve Forrest, Cameron Mitchell, and Dean Jagger.



Kartchner Caverns State Park® is number 15 on the Arizona Office of Tourism's Top 25 Natural Attractions in Arizona. Photo courtesy of © Arizona State Parks.

The Arizona Motion Picture Production Tax Incentives Program

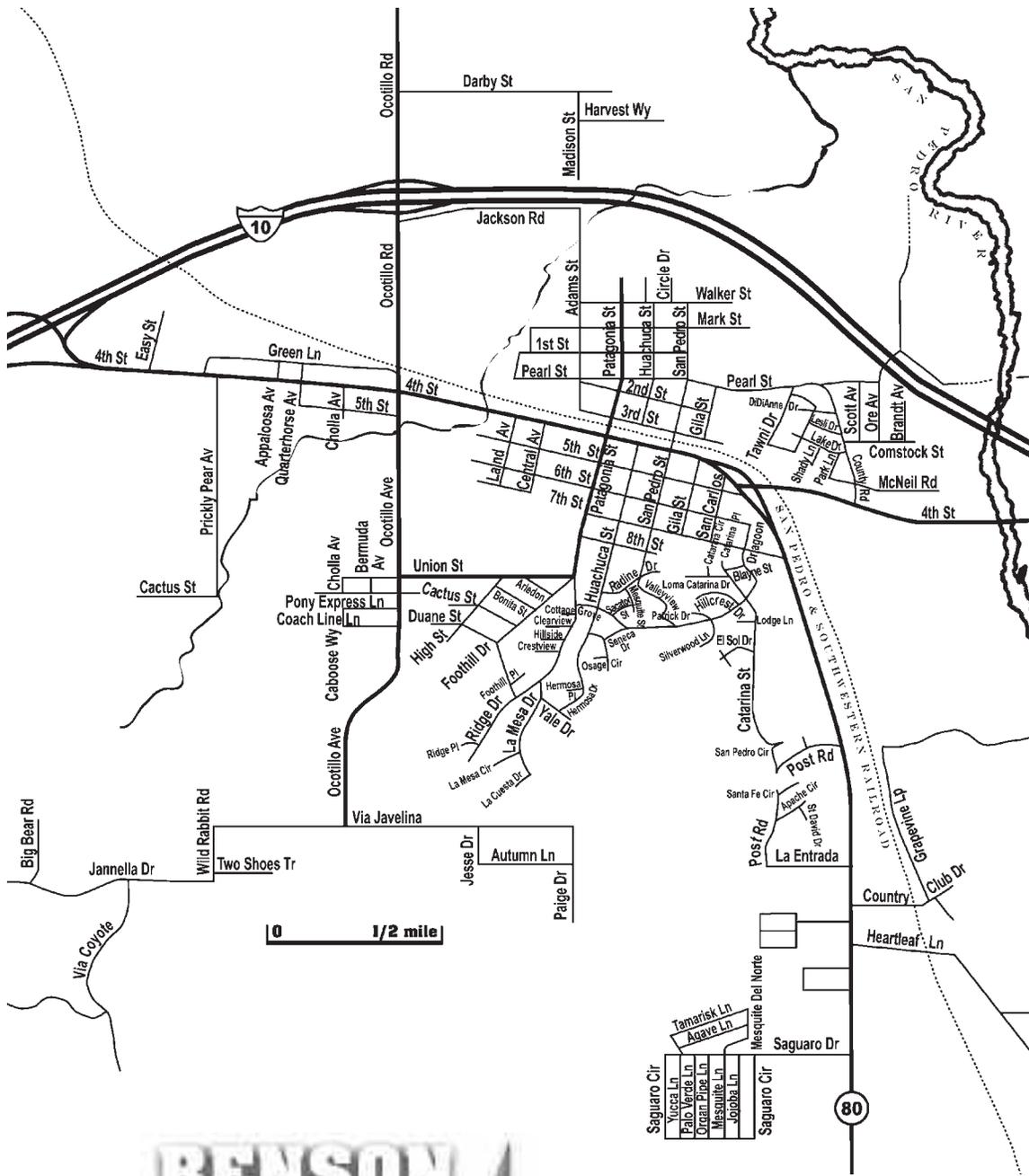
Those interested in filming in the Benson area may benefit from the Arizona Motion Picture Production Tax Incentives Program, which offers the following incentives:

- Transaction privilege tax exemption on purchased machinery; equipment and other tangible personal property; leased or rented lodging space; sales of catered food, drink and condiments; and construction contracts for buildings and other structures.
- Use tax exemption on machinery, equipment and other tangible personal property.
- Arizona transferable income tax credit equal to 10 percent, 15 percent or 20 percent of the company's investment in eligible Arizona production costs.

To be eligible for the Motion Picture Production Tax Incentives Program, the applicant must be a motion picture production company that is primarily (more than 50 percent) engaged in the business of producing motion pictures; have a physical office and bank account in Arizona; incur Arizona production costs of at least \$250,000 in a 12-month period; and employ Arizona residents in its motion picture productions, as follows: in 2006, at least 25 percent of the full-time employees working in Arizona must be Arizona residents; in 2007, at least 35 percent of the full-time employees working in Arizona must be Arizona residents; and in 2008 through 2010, at least 50 percent of the full-time employees working in Arizona must be Arizona residents.

For more information on the Motion Picture Production Tax Incentives Program, visit the Arizona Department of Commerce's website at <http://www.azcommerce.com/Film>. For information on filming in Benson, contact the Benson Visitor Center at (520) 586-4293.

For information on filming in the unincorporated areas of Cochise County, contact the Cochise County Tourism Council at (520) 432-9215 or visit their website at www.explorecochise.com.





About the Center for Economic Research

The Center for Economic Research is located at the Sierra Vista Campus of Cochise College. Photo: Gill Kenny

The Cochise College Center for Economic Research (CER), founded in 1995, is dedicated to analyzing and interpreting economic data for businesses, agencies, and residents of Cochise County. The CER provides economic information and forecasts to assist community leaders in the public, private, and nonprofit sectors in making informed decisions.

In 1995, the CER began hosting an annual economic focus luncheon in Sierra Vista, providing a review of the local economy over the previous year and an economic forecast for the coming year. Between 1996 and 2002, this program was expanded to include the cities of Douglas, Benson, and Bisbee. The CER produces four economic review and forecast publications annually: *Sierra Vista Economic Focus*, *Douglas Perspective*, *Benson Prospectus*, and *Bisbee Outlook*, which are released in conjunction with the economic focus luncheons held in those cities.

The CER responds to a wide range of data requests from citizens and business and community leaders throughout Cochise County and across the state and region. The CER provides economic information, analysis, and forecasts to local citizens, businesses, public agencies, financial institutions, private developers, and other research centers. The CER prepares weekly press releases providing insight into economic issues affecting Cochise County. The CER's quarterly newsletter, *The Indicator*, provides updates on the local economy and CER activities. The CER's website (www.cochise.edu/cer) provides updated economic news, information, analysis, and forecasts.

The CER is a member of the Association for University Business and Economic Research (AUBER), one of only two community colleges in the nation holding membership. In addition, the CER is a state data center affiliate, receiving and disseminating U.S. Census Bureau data to individuals, agencies, and organizations in the local area.

Robert Carreira has served as director of the CER since 2005. Robert holds master's degrees in international political economics, education, and public administration, and is currently working toward a doctoral degree in public policy and administration.

THE CENTER FOR ECONOMIC RESEARCH STAFF AND WORKFORCE

CENTER STAFF

Robert Carreira – Director
Roy Bever – Administrative Assistant, Sr.
V. Tina Gilbertson – Research and Information Specialist
Iris Routhieaux – Data Analyst

BENSON ECONOMIC ADVISORY COMMITTEE

Martha Bersano – Holiday Inn Express/Gas City Ltd.
Dennis Criswell – Sierra Southwest Cooperative Services, Inc.
Marcus Harston – Sulphur Springs Valley Electric Cooperative, Inc.
Boyd Kraemer – City of Benson
Mahlon MacKenzie – Long Realty Benson Affiliate
Kathy Moreno – Sierra Southwest Cooperative Services, Inc.
Dr. Darlene Spoor – Cochise College Benson Center
Telly Stanger – Sulphur Springs Valley Electric Cooperative, Inc.
Beverly Stepp – Benson Chamber of Commerce

PUBLICATION STAFF

Jerry Eades - Coordinator, Print Services
Denise Merkel - Public Information Officer
David Gordon, Sierra Design & Publishing - Graphic Designer

Other Cochise College Resources

The 13,000-square-foot Cochise College Benson Center includes classrooms, computer labs, and offices, as well as meeting space that is available to the public.
Photo: CER staff.



GOVERNING BOARD

Mrs. Jan Guy, Chair
Mrs. Jane C. Strain, Secretary
Dr. Michael J. Carter, Member
Mr. David DiPeso, Member
Dr. John M. Eaton, Member

ADMINISTRATION

Dr. Karen A. Nicodemus, President
Dr. Joanna K. Michelich, Vice President for Instruction/Provost
Mr. Carlos Cartagena, Vice President for Information Technology
Mr. Neil Goodell, Vice President for Institutional Advancement
Mr. Robert Howell, Associate Vice President for Human Resources

Career Services Center (CSC)

The Career Services Center provides job search skills and placement assistance to students and alumni of the college. Cooperative education internship programs are available for students wishing to gain experience in their field of study. Students receive academic credit for these field experiences. In addition, the Career Services Center provides to students current listings of off-campus job openings and refers interested candidates to employers. If you are an employer and wish to have the Career Services Center post your available job opportunities at no charge, please call the Sierra Vista Campus at (520) 515-5457 or the Douglas Campus at (520) 417-4750.

Small Business Development Center (SBDC)

SBDC provides free one-on-one counseling on any small-business topic, including marketing, financial planning, business planning, computer information systems, human resource management, government procurement, record keeping, and more. The SBDC sponsors workshops and seminars on a variety of topics designed specifically for small-business owners. The SBDC also makes available a library of business resources, which includes many of the latest business books, videotapes, audio tapes, newsletters, and magazines. Phone (520) 515-5478, or email sbdc@cochise.edu.

Center for Southwest Studies

The Cochise College Center for Southwest Studies partners with external organizations to explore, disseminate and protect cultural and natural resources and contribute to the economic development of the border region. The Center for Southwest Studies was created to establish Cochise College as a leader in border-related studies, training and research and to partner with existing organizations to become a reposi-

tory for resource availability and a keystone in resource procurement. The Center works with its partners to identify and implement entrepreneurial activities related to the rich historical, cultural and geographical characteristics of Southeast Arizona and the regional/border area. Public input is valued and may be directed to Rebecca Orozco, director, Center for Southwest Studies, Cochise College, 4190 W. Hwy. 80, Douglas, Arizona, 85607 or orozcor@cochise.edu.

Tech Prep

Tech Prep, located in the Career Services Center building on Sierra Vista Campus, is a federally funded Carl Perkins vocational grant administered by the Arizona Department of Education, School to Work Division. The Workforce Development Program (COMPACT) builds career pathways for Cochise County high school students. Qualified students interested in skilled occupations or technical careers have the opportunity to begin their education at Cochise College while still in high school. Students pay a significantly reduced rate for qualifying courses. Funding also is provided by Cochise College and The Wolslager Foundation. Students may choose from courses in the areas of agriculture, aerospace thermal fusion welding, avionics, business, computer information systems, computer networking, just to name a few. For more information contact Rhonda Douglas at (800) 966-7943, Ext. 5347, or douglasr@cochise.edu. Or visit the website at www.cochise.edu/information/students/techprep.

Workforce Training and Community Education (WTCE)

Workforce Training and Community Education provides short-term courses for adults interested in upgrading their work skills or exploring new areas of development. Classes encompass a variety of subject areas, including computers, arts and hobbies, business management, cultural field trips and more. Courses are delivered countywide and online. Classes are available on weekdays, weekends and in the evenings.

The department also collaborates with local organizations to provide customized, professional development training to improve workplace skills. A current schedule of classes is available at their website www.cochise.edu. For a printed schedule, or for more information, contact the department at (520) 515-5492 or training@cochise.edu.



The Cochise College Benson Center serves students with traditional college courses, adult education, and personal interest classes. Photo courtesy of Gill Kenny.

Community Resources

Mountain views and public benches welcome residents and guests outside the Benson Depot/Visitor Center along historic East 4th Street. Photo courtesy of CER Staff.



City of Benson

- Tel(520) 586-2245
- Fax(520) 586-3375
- Websitewww.cityofbenson.com
- Community Development(520) 586-2245
- Building and Zoning(520) 586-2003
- Building Inspector(520) 586-2003
- Wastewater Treatment Plant(520) 586-3222
- Animal Control(520) 586-3600
- City Clerk/Treasurer(520) 586-2245

Benson Police Department

- Emergency911
- Non-Emergency(520) 586-2211
- Fax(520) 586-2520
- Crime Check(520) 586-3011
- Records(520) 586-2299

Benson Fire Department

- Emergency911
- Fire Only(520) 586-3333
- All other business:(520) 586-2245

Benson Public Library

Benson Public Library is a city library funded by city taxes, which will increase as

business and residential areas grow in the next few years. A community survey done by the library in 1986 showed a strong population of educated adults (beyond high school), indicating the need for a strong public library with access to additional statewide and national library materials through interlibrary loan services.

Peggy Scott, Head Librarian(520) 586-9535
Meeting Room(520) 586-3252
Website<http://cochise.lib.az.us>

Benson SPV (San Pedro Valley) Chamber of Commerce

The chamber is a working partner of business and professional people and their interests in the community and the area. It is an organization of people who practice the vision of coordinating their efforts under effective leadership for the advancement and development of the community and area.

Tel(520) 586-2842
Fax(520) 586-1972
Emailinfo@bensonchamberaz.com
Websitewww.bensonchamberaz.com

Benson Visitor Center

The Benson Visitor Center provides information to tourists on local attractions, tours, and things to do in the Benson area. It also mails relocation information to potential residents.

Tel(520) 586-4293
Emailbensonvisitorctr@theriver.com

Industrial Development Authority of Benson

City of Benson businesses are eligible for assistance in financing fixed assets through the Finance and Administration Division of the Arizona Department of Commerce.

Tel(520) 586-2842

Cochise County Board of Supervisors

Tel(520) 432-9200

U. S. Customs and Border Protection Agency (Homeland Security)

Provides customs, border protection, immigration and naturalization services.

Tel(520) 432-5121

Financial Assistance

Bank of America(520) 586-2279
Huachuca Federal Credit Union(520) 586-8821
National Bank of Arizona(520) 586-2228
Southeastern Arizona Federal Credit Union ... (520) 586-7095

Utility Assistance

Arizona Electric Power Co-Operative, Inc ... (520) 586-3631
Benson Town Government Utilities(520) 586-9454
Southwest Gas(800) 428-7324
Sulphur Springs Valley Electric Cooperative ... (520) 586-2238, (800) 422-9288
Qwest(800) 879-4357

CONTACT THE CENTER FOR ECONOMIC RESEARCH

CENTER FOR ECONOMIC RESEARCH

Cochise College
901 North Colombo Avenue
Sierra Vista, AZ 85635
Phone (520) 515-5486
Fax (520) 515-5343
E-mail: cer@cochise.edu

Additional copies of the Benson Prospectus are available. Economic publications are also available for Sierra Vista, published annually in March; Douglas, published annually in September; and Bisbee, published annually in December. The Center's quarterly newsletter, The Indicator, is available free of charge. For more information, please contact the Center for Economic Research at (520) 515-5486.