



**COCHISE COLLEGE**  
CENTER FOR ECONOMIC RESEARCH

# *Benson*

**ECONOMIC OUTLOOK 2012**



An economic overview of Benson, Arizona and the San Pedro Valley  
presented by the Cochise College Center for Economic Research



**COCHISE COLLEGE**

*Creating opportunities...changing lives.*

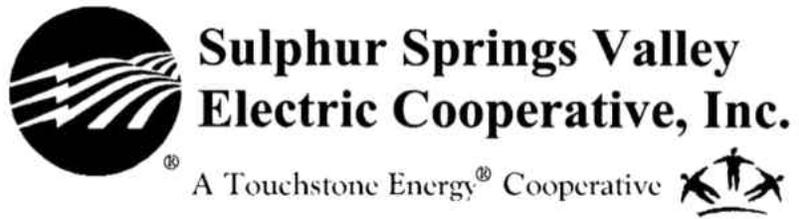
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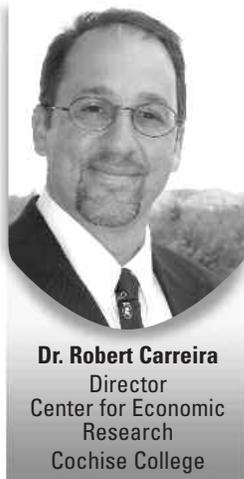
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Benson Visitor Center • Photo: Benson Visitor Center

## A review of the national, state, and local economy



**Dr. Robert Carreira**  
 Director  
 Center for Economic  
 Research  
 Cochise College

### National

The national economy gained 1 million jobs in 2010 and 1.8 million in 2011. In the first quarter of 2012, 635,000 new jobs were created. In March 2012, the national unemployment rate was 8.2 percent, down from the peak of 10 percent in October 2009. The national unemployment rate dropped steadily from July 2011 through March 2012.

The nation's gross domestic product (GDP), the broadest measure of economic activity measuring the value of all goods and services produced in the economy, was up for 10 consecutive quarters from the third quarter of 2009 through the fourth quarter of 2011. Overall, real (inflation-adjusted) GDP declined 0.3 percent in 2008 and 3.5 percent in 2009. In 2010, real GDP increased 3 percent, and in 2011 it grew by 1.7 percent. In the third quarter of 2011, GDP surpassed its pre-recession level for the first time since the recession began in December 2007 (the recession ended in June 2009).

Consumer price inflation was 1.6 percent in 2010 and 3.2 percent in 2011. Higher inflation in 2011 was attributable to higher oil and energy prices mid-year, which also contributed to slower economic growth as consumers pulled back on other spending. Higher inflation levels continued into the first quarter of 2012 led by volatile oil and energy prices.

### Arizona

Arizona's GDP grew by 0.7 percent in 2010, after falling 1.8 percent in 2008 and 5.7 percent in 2009. In 2005 and 2006, Arizona was one of the top three fastest growing states in the nation, economically, measured by GDP growth. In 2009 and 2010, Arizona was one of the three slowest growing states in the nation; in 2010, Arizona was 48th. Arizona gained 37,300 jobs in 2011, for job growth of 1.6 percent. The private sector added 35,800 jobs for growth of 1.8 percent, while government gained 1,500 jobs for growth of 0.4 percent. In

February 2012, the statewide unemployment rate was 8.7 percent, down from its peak of 10.8 percent in March 2011. The state's unemployment rate in January and February 2012 was its lowest since February 2009.

## Cochise County

In 2011, Cochise County lost 175 nonfarm jobs for job growth of -0.5 percent. The only industries to see positive job growth were the federal government, information, other services, and trade, transportation, and utilities. Federal government gained 350 jobs for annual job growth of 6.3 percent. Information added 25 jobs for job growth of 4 percent. Other services grew by 50 jobs for growth of 5.7 percent. Trade, transportation, and utilities gained 150 jobs for job growth of 2.5 percent. The number of jobs in financial activities and leisure and hospitality stabilized at 2010 levels in 2011. All other industries in Cochise County lost jobs in 2011. State and local government lost 50 jobs for an annual job growth rate of -0.7 percent. In the private sector, professional and business services dropped 350 jobs (-6.3 percent), construction shed 175 jobs (-10.9 percent), educational and health services declined by 150 jobs (-3.5 percent), and manufacturing lost 50 jobs (-8.7 percent). In February 2012, Cochise County's unemployment rate was 8 percent, down from its peak of 9 percent in June 2011.

In 2011, retail sales countywide were down 1.2 percent from 2010, after adjusting for inflation. Retail sales alternated between positive and negative monthly growth with sales down in 9 of 16 months ended in December 2011. Cochise County's restaurant and bar sales in 2011 were down 0.2 percent. Despite the decline, monthly sales were up in 10 of 16 months ended in December 2011. Countywide accommodation sales, which include hotel, motel, RV Park, and other temporary lodging stays of less than 30 days, were down 13.1 percent in 2011. Sales were down in 13 of the 15 months ended in December.

A total of 319 new home permits were issued countywide in 2011, down from 347 in 2010. The drop represents the 6th consecutive year of declining new residential construction in Cochise County. The number of new home permits issued countywide in 2011 was down more than 70 percent from the housing boom peak in 2005. Part of the reason has been a surge in foreclosed homes, which are sold at considerably lower prices and pose stiff competition for new home sales.

Home sales in Cochise County were down 3.5 percent in 2011, following 2 years of modest growth. The median home price countywide was down 9.5 percent in 2011. From 2004 through 2007, the median home price countywide increased by 39.4 percent; from 2007 through 2011, it dropped by 27.1 percent. The median price of \$142,125 in 2011 was at its lowest level since 2004. Prices have been driven down by an increasing number of foreclosed homes on the market. In 2011, 30 percent of all homes sold in Cochise County were foreclosures, up from 26.3 percent in 2010 and 15 percent in 2009.

## Benson

The unemployment rate in Benson in February 2012 was 13.9 percent, down from its peak of 15.8 percent in April 2011. Benson saw a net loss of 56 jobs in 2011 for job growth of -2.5 percent. From the beginning of the national recession in 2007 through 2011, the number of unemployed people in Benson increased from 169 to 400.

Restaurant and bar receipts in Benson in 2011 were down 11.1 percent from 2010, after adjusting for inflation. Sales were down in 17 of 18 months ended in December 2011. Benson's accommodation receipts were down 6.1 percent in 2011, with sales down in 11 of 14 months ended in December 2011. Retail sales data are not available for Benson; however, retail sales tax revenue for sales occurring in 2011 was down 5.6 percent (unadjusted) from 2010.

The year 2006 saw the first major step toward build-out of the several planned developments when the City of Benson issued 104 new home permits (in the 5 years from 2001 through 2005, the city had issued a combined total of only 12 new home permits). Since 2006, the numbers of permits issued each year have been unstable but have remained high relative to historical trends from 2005 and earlier. In 2011 there were 18 permits issued, down from 32 in 2010.

In 2011, the number of homes sold in Benson fell by 13.5 percent from 2010. The drop was the 5th consecutive year of declining home sales. Sales volume in 2011 was down nearly 50 percent from the peak in 2004. The median price of a home sold in Benson was down 15.2 percent in 2011. The median price of \$106,000 was at its lowest level since 2005 and was down by more than a third from the peak in 2007.

The unemployment rate in Benson in February 2012 was 13.9 percent, down from its peak of 15.8 percent in April 2011.



Apache Park in Benson • Photo: Benson Visitor Center

## Gateway to the San Pedro Valley— Home of Kartchner Caverns State Park

*“Serving the people of Benson by effectively planning for growth, providing for a safe environment, quality transportation, reliable utilities, enhanced recreation opportunities, competent administration, a healthy business climate, a positive self-image and cooperation with other levels of government, while maintaining fiscal responsibility.”*

—City of Benson Mission Statement



**Glenn Nichols**  
City Manager  
City of Benson

The City of Benson continues to be fiscally responsible. The annual audit again shows the city is in a better position financially than many other cities and towns. The bond monies the city received in 2011, aside from being used to consolidate debt, continues to be used for capital improvements.

The wastewater treatment plant is still under permitted capacity and the city’s adequacy of water supply is positive for the community. We require all outside land to provide its own designation of water adequacy and give the designation to the city upon annexation. This demonstrates the city’s commitment to the use of a long-term perspective in managing its resources.

We continue to project out 5 years through planned capital improvement projects to improve many different aspects of the city. This plan is made a part of the budget process each year to advise the city council of projected projects and create a timeline for the city departments.

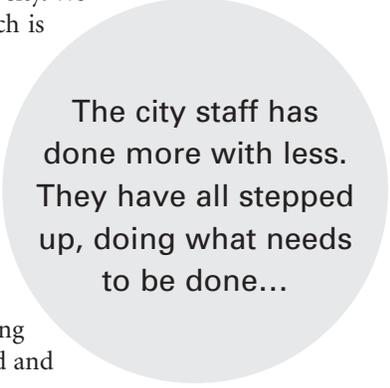
We have a strong Recreation Department that works with the Parks Department to provide facilities and programs, including summer programs, to enhance opportunities for the community and its youth. During the year we completed improvements to two of the fields at Lions Park and removed the park irrigation systems from drinking water, using instead a well that no longer produces potable water.

The Development Services Department, which includes Building and Planning/Zoning, and the Public Works Department are committed to providing outstanding customer service to assist all in the community (and outside the community) in understanding the requirements of the city. We are ready and willing to show all interested parties what our city, which is located along Interstate 10 at State Routes 80 and 90, has to offer.

We provide the Benson Area Transit (BAT) and Dial-a-Ride programs and the demand continues to grow. The BAT is funded through an Arizona Department of Transportation grant. The Dial-a-Ride program receives assistance with funding from Southeastern Arizona Governments Organization's Area Agency on Aging. The San Pedro Golf Course and Benson City Grille continue to improve their offerings to the community and surrounding area.

The city staff has done more with less. They have all stepped up, doing what needs to be done even though many departments are short staffed and those vacant positions have not been filled.

The leadership of the elected officials, along with city staff, continues to move the City of Benson in a positive direction. We are all dedicated to building a quality community for the citizens and the visitors alike. On behalf of Mayor Toney King, the Benson City Council, and city staff, we encourage you to come see the great City of Benson, a growing desert destination.



The city staff has  
done more with less.  
They have all stepped  
up, doing what needs  
to be done...



A view of Benson • Photo: Benson Visitor Center

## The City of Benson

### Overview

Benson is the fourth largest of seven incorporated places in Cochise County. The city is at an elevation of 3,585 feet located 45 miles southeast of Tucson and 156 miles southeast of Phoenix along several trade routes: Interstate 10, state routes 80 and 90, and the main line of the Union Pacific Railroad. Average monthly temperatures range from a low of 29°F in December to an average high of 100°F in June. In the late 1800s and early 1900s, Benson was the railroad hub of Southern Arizona—an image that characterizes the city's culture today. With a population of 5,077 as of 2011, Benson accounts for 3.9 percent of the countywide population. The city is part of a larger integrated community with a total population of more than 12,500, including St. David, Mescal, Pomerene, and other nearby unincorporated areas. The population of the area swells considerably from October through April each year with an influx of winter visitors, many of whom reside in RV/travel trailer parks. As of the 2006-10 American Community Survey, 8.7 percent of housing units in Benson were classified as “Boat, RV, van, etc.” compared to only 1.3 percent countywide. The presence of seasonal visitors is a distinct cultural and economic characteristic of Benson.

### Quality of Life

In 2010, the city council accepted donation of the 18-hole San Pedro Golf Course, which the city now runs along with the full-service restaurant located at the course. The city's Benson Area Transit (BAT) system offers bus transportation in the city and surrounding areas. Buses are wheelchair accessible, equipped with bike racks, and climate controlled. BAT provides daily service during the week with stops at Cochise College, Mescal/J6, and Pomerene. Benson Library offers traditional library services and internet access. Lion's Park, Apache Park, and Union Street Park are managed by the city and include a swimming pool, lighted sports fields, basketball court, horseshoe pits, volleyball court, skate park, walking trails, several ramadas, barbeque grills, playground, and restrooms. The city partners with area public schools and sports leagues and provides a pool program including lap swimming, open swim, and swimming lessons for adults and youth. In partnership with the Benson Unified School District, the city's summer recreation programs provide camps, activities, and trips. In partnership with the Benson Chamber of Commerce and special committees, the city

supports several annual events, including the 4th of July Celebration, Butterfield Overland Stage Days, Christmas on Main Street, Bluegrass in the Park, and the Biker Rodeo.

### BENSON WEATHER

MONTH	AVG. HIGH	AVG. LOW	MEAN	AVG. PRECIP.	RECORD HIGH	RECORD LOW
January	65°F	30°F	48°F	1.18 in.	87°F (1971)	6°F (1971)
February	68°F	32°F	50°F	1.20 in.	88°F (1989)	9°F (1999)
March	73°F	35°F	54°F	0.90 in.	96°F (2004)	13°F (1971)
April	81°F	40°F	61°F	0.36 in.	103°F (1989)	20°F (1983)
May	91°F	47°F	69°F	0.31 in.	109°F (1996)	25°F (1988)
June	100°F	56°F	78°F	0.30 in.	116°F (1990)	38°F (1999)
July	99°F	65°F	82°F	2.66 in.	115°F (1995)	44°F (2004)
August	96°F	65°F	81°F	2.88 in.	109°F (1995)	51°F (2004)
September	93°F	58°F	76°F	1.30 in.	108°F (1983)	41°F (1999)
October	84°F	46°F	65°F	0.99 in.	102°F (2003)	20°F (1971)
November	73°F	35°F	54°F	0.68 in.	90°F (1999)	10°F (2005)
December	64°F	29°F	47°F	1.18 in.	84°F (1980)	6°F (1978)

Source: The Weather Channel ©

## Cost of Living

According to the Council for Community and Economic Research's Cost of Living Index (COLI), the cost of living in Cochise County was below the national average in 2011. The COLI measures relative price levels for consumer goods and services in more than 300 participating areas in all 50 states. The index includes weighted sub-indices for grocery items, housing, utilities, transportation, healthcare, and

### COST OF LIVING COMPARISONS

	SIERRA VISTA- DOUGLAS MICRO AREA*	TUCSON	PHOENIX	FLAGSTAFF	LAKE HAVASU	PRESCOTT- PRESCOTT VALLEY	YUMA
2007	98.0	100.3	100.6	115.9	111.2	106.4	102.7
2008	100.2	99.6	101.1	118.3	112.2	107.2	105.4
2009	99.2	99.1	98.4	114.1	109.7	105.3	103.2
2010	97.8	96.4	100.6	114.8	111.7	103.6	101.1
2011	99.6	95.0	96.5	113.3	108.9	103.7	103.5

\*The Sierra Vista-Douglas Micropolitan Area is a statistical area designation for all of Cochise County. Sierra Vista and Douglas are included in the title since they are the principal cities that meet the criteria for establishing Cochise County as a Micropolitan area. 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: Council for Community and Economic Research (C2ER), Cost of Living Index.

### SIERRA VISTA/DOUGLAS MICROPOLITAN AREA COST OF LIVING

	COMPOSITE INDEX	GROCERY ITEMS	HOUSING	UTILITIES	TRANS PORTATION	HEALTH CARE	MISC. GOODS & SERVICES
2007	98.0	105.5	94.6	100.7	104.3	97.6	95.5
2008	100.2	104.9	103.1	97.7	100.9	100.5	96.4
2009	99.2	100.3	104.1	94.3	102.6	97.4	94.7
2010	97.8	96.5	99.4	97.4	104.0	95.9	95.5
2011	99.6	95.6	99.6	92.0	108.8	98.0	100.9

Note: The Sierra Vista-Douglas Micropolitan Area is a statistical area designation for all of Cochise County. Sierra Vista and Douglas are included in the title since they are the principal cities that meet the criteria for establishing Cochise County as a Micropolitan area. 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: Council for Community and Economic Research (C2ER), Cost of Living Index.

miscellaneous goods and services.

Cochise County's cost of living in 2011 was 0.4 percent lower than the average of all participating places nationwide. This was up from 2.2 percent below in 2010. The cost of living in Cochise County in 2011 was 4.8 percent higher than Tucson and 3.2 percent higher than Phoenix.

In 2011, all categories of cost were lower in Cochise County than nationwide except transportation, which has been on an upward trend locally in recent years, and miscellaneous goods and services. Transportation costs, which include gasoline and automobile maintenance, were 0.9 percent higher than the national average in 2008. This rose to 2.6 percent above the national average in 2009, 4 percent above in 2010, and 8.8 percent above in 2011. The local cost of miscellaneous goods and services was 0.9 percent above the national average in 2011, up from 4.5 percent below in 2010.

In 2007, the cost of housing in Cochise County was 5.4 percent below the national average. This rose to 3.1 percent above in 2008 and 4.1 percent above in 2009. The trend reversed with local costs falling to 0.6 percent below the national average in 2010 and 0.4 percent below in 2011 (for more on this see the Housing, Real Estate, and Commercial Construction section of this publication).

Local grocery costs were 4.4 percent below the national average in 2011, a continuation of the downward trend that began in 2007. In 2007 groceries in Cochise County were 5.5 percent above the national average. This fell to 4.9 percent above in 2008, 0.3 percent above in 2009, and 3.5 percent below in 2010.

Healthcare costs in Cochise County were 2 percent below the national average in 2011, up from 4.1 percent below in 2010. The cost of utilities was 8 percent below the national average in 2011, down considerably from 2010, which saw local costs 2.6 percent lower than nationally.

Statewide, there were seven places participating in the COLI in 2011. In addition to Cochise County, other participating areas were Flagstaff, Lake Havasu City, Phoenix, Prescott-Prescott Valley, Tucson, and Yuma. Of these, only Tucson and Phoenix had an overall cost of living that was lower than Cochise County in 2011.

#### BENSON TRANSACTION PRIVILEGE (SALES) TAX RATES

CATEGORY	COUNTY AND STATE	CITY OF BENSON	TOTAL
Privilege Tax	7.10%	2.5%	9.6%
Retail Tax (Single Item over \$5,000)	7.10%	1.0%	8.1%
Hotel/Motel	7.05%	4.5%	11.55%
Construction Contracting	7.10%	4.0%	11.1%

Note: As of March 1, 2012. Source: Arizona Department of Revenue and Cochise College Center for Economic Research.

## Tax Rates

### TRANSACTION PRIVILEGE TAX

Sales (or transaction privilege) tax rates in Benson vary based on the category of sale and amount of purchase. City sales tax is added to a base of 7.1 percent, which includes county and state taxes, for most categories of sales. Effective June 1, 2010 with the passage of Proposition 100, Arizona's rate increased from 5.6 to 6.6 percent for a period of 3 years. On June 1, 2013, the state rate reverts to 5.6 percent. The county rate is 0.5 percent for most categories of sales. The general sales tax rate in Benson is 2.5 percent for a total (city, county, and state) tax rate of 9.6 percent. For retail sales on single items costing more than \$5,000, the city sales tax rate is 1 percent, for a total rate of 8.1 percent. An additional tax of 2 percent is added to hotel/motel stays, for a total tax of 11.55 percent. Construction contracting in the city is taxed at 4 percent, for a total rate of 11.1 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 \$10.851 per \$100 assessed value as of August 2011 (rates are established the third Monday in August each year). This is up from \$10.7173 the year prior. The property tax levied by the City of Benson for 2011-2012 was \$0.4538 per \$100 assessed value, the second lowest of Cochise County's seven incorporated areas (lowest is Sierra Vista). In Arizona, assessed value is based on an

assessment ratio of the property's value. The state uses the following assessment ratios for real property:

- Class 1: Mines, mining claim property, and standing timber; local telecommunications, utilities, pipelines, and oil and gas producing; and commercial and industrial real property not included in other classes. Assessment ratio for this class is 20 percent, scheduled to decline as follows: 19.5 percent in 2013; 19 percent in 2014; 18.5 percent in 2015, and 18 percent in 2016.
- Class 2: Agricultural real property, golf courses, and vacant land. Assessment ratio for this class is 16 percent scheduled to decline to 15 percent in 2016.
- Class 3: Owner-occupied residential property (10 percent).
- Class 4: Leased or rented residential property (10 percent).
- Class 5: Railroads, private car companies, and airline flight property (21 percent).
- Class 6: Noncommercial historic property, foreign trade zones, military reuse, environmental technology, and environmental remediation property (5 percent).
- Class 7: Improvements to commercial historic property (1 percent for up to 10 years).
- Class 8: Improvements to historic residential rental property (1 percent for up to 10 years).
- Class 9: Possessor interests (1 percent for up to 10 years).

**BENSON PROPERTY TAX RATES (PER \$100  
ASSESSED VALUE), 2011-2012**

DISTRICT	PRIMARY	SECONDARY	TOTAL
City of Benson	0.4538	—	0.4538
Benson Unified School District	2.4975	1.7461	4.2436
Cochise Joint Technical District	—	0.0500	0.0500
San Pedro Valley Hospital	—	0.9000	0.9000
Cochise County General Government*	2.6276	—	2.6276
Library*	—	0.1451	0.1451
Flood Control*	—	0.2597	0.2597
Cochise College*	1.6657	—	1.6657
Fire District Assistance Tax*	—	0.0796	0.0796
Arizona School District Assistance Tax**	0.4259	—	0.4259
<b>TOTAL</b>	<b>7.6705</b>	<b>3.1805</b>	<b>10.851</b>

Note: Rates are established the third Monday in August. \*Rate applies to all property in Cochise County. \*\*Rate applies to all property in Arizona. Source: Cochise County Treasurer and Cochise College Center for Economic Research.



In recent years, Benson and the unincorporated areas of Cochise County just outside the city limits have been eyed by developers for large-scale, master planned communities

## Economic development

### Overview

Benson is located along several trade routes: Interstate 10, state routes 80 and 90, and the main line of the Union Pacific Railroad. The city's economy is dependent on tourism, seasonal visitors, and accommodation and restaurant and bar patronage from traffic along Interstate 10. In recent years, Benson and the unincorporated areas of Cochise County just outside the city limits have 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. In anticipation of growth, Wal-Mart opened a 99,000 square-foot Supercenter in Benson in late 2006. With the opening of Wal-Mart, Benson is positioned to become the major retail center serving northern Cochise County, eastern Pima County, and southern Graham County.

### San Pedro & Southwestern Railroad

The San Pedro & Southwestern Railroad Trans-load Spur is located in Benson providing commercial freight service to the Union Pacific Los Angeles-Chicago main line. The San Pedro & Southwestern Railroad's headquarters and customer service are based in Benson. Primary traffic includes agricultural chemicals, feed grains, and construction material. For more information, visit [www.sanpedrosouthwesternrr.com](http://www.sanpedrosouthwesternrr.com).

### Benson Municipal Airport

The Benson Municipal Airport (FAA Airport Identifier E95) is a full-service, general aviation airport located on 140 acres approximately 3 miles north of the city's center, and is owned and operated by the city. The airport is at an elevation of 3,829 feet and serves helicopters, single-engine aircraft, and small multi-engine general aviation aircraft. Southwestern Aviation is the airport's fixed-base operator, providing AVGAS and Jet A fuel, car rental, flight training, and aircraft rental and sales. The airport has a single runway: Runway 10/28 is 4,000 x 75 feet, asphalt, with a single-wheel weight limitation of 12,500 lbs. The airport is located 120 nautical miles from Phoenix's Sky Harbor International Airport and 30.5 nautical miles from Tucson International Airport. The city has expressed a commitment to maximize utilization of the airport and in

2012 passed a resolution supporting the efforts of the Arizona Commerce Authority to establish an FAA national test range for unmanned aerial systems at the airport. For more information on Benson Municipal Airport, visit [www.cityofbenson.com](http://www.cityofbenson.com).

## **Water Supply**

A function of the city is to provide residents and businesses with water that meets or exceeds quality standards and in sufficient supply to meet customer demands. The city has adopted an approach to water resource management that includes water conservation and the use of reclaimed water. The city maintains a water conservation plan and in 2005 was granted 12,784 acre feet of groundwater use per year by the Arizona Department of Water Resources.

## **Capital Improvements**

The City of Benson's 2007-2011 Capital Improvements Program included maintenance and construction projects to support a range of services, including a new police station, major park expansions (including a new swimming pool), \$3 million in reconstruction of Ocotillo Street from 4th Street to Union Street, design of the wastewater treatment plant expansion, and several water projects.

## **Rural Economic Development Initiatives**

Benson is an Arizona Rural Economic Development Initiatives (REDI) accredited community. The Arizona REDI program provides direct assistance to rural communities in organizing an economic development program or effort and evaluating community resources. REDI 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; strategic planning assistance; special strategy sessions; assistance in identifying education and training opportunities to reach economic development goals and objectives; workshops; evaluation of economic development goals and activities; community survey implementation and analysis assistance; reduced fees for various regional and statewide economic development workshops; assistance in generating community interest and support; media releases on programs and progress; and research provided through the Statewide Economic Study.

## **Benson Economic Development Subcommittee**

In 2009, Benson City Council's Economic Development Subcommittee established its strategic plan outlining several goals: improved partnerships with a regional approach, establishment of a GIS database of property, development of a regional airport industrial and commercial area (targeting cluster employment), development of Union Pacific holdings, event retention and development to promote tourism, and continuation as a resource for small business information. Recent efforts have focused on existing business retention and quality of life. The city has established a webpage that serves as a one-stop center for economic development needs. Economic development tools at the website include an asset inventory and links to other sources of relevant information about the community. For more information, visit [www.cityofbenson.com](http://www.cityofbenson.com).

## **Southeast Arizona Economic Development Group (SAEDG)**

SAEDG was created in 2007 to work with existing and prospective business owners and other stakeholders to identify, develop, and expand opportunities within the region. The organization works closely with private and public partners to promote business ownership and related support channels in Southeast Arizona. For more information, visit [www.saedg.org](http://www.saedg.org).

## **Benson/San Pedro Valley Chamber of Commerce**

The Benson/San Pedro Valley Chamber of Commerce seeks to unite industrial, commercial, and governmental interests to support activities that promote the welfare of the Benson community and surrounding area. The chamber's vision is to preserve the competitive enterprise system, promote business and community growth and development, and assist businesses through promotion and education. Its mission is to proactively support and promote members' business success. For more information, visit [www.bensonchamberaz.com](http://www.bensonchamberaz.com).

### **Cochise College Small Business Development Center (SBDC)**

The SBDC provides free one-on-one counseling on small business topics including marketing, financial planning, business planning, computer information systems, human resource management, government procurement, and recordkeeping, and sponsors workshops and seminars specifically for small business owners. The SBDC also makes available a library of business resources including many of the latest small business books, videos, audio, newsletters, and magazines. For more information call (520) 515-5478 or email sbdc@cochise.edu.

### **SouthEastern Arizona Governments Organization (SEAGO)**

SEAGO is a Council of Governments serving local and tribal governments in the four-county region of Cochise, Graham, Greenlee, and Santa Cruz counties and is designated an Economic Development District (EDD) by the U.S. Economic Development Administration. The SEAGO EDD program assists distressed areas, planning regions, cities, and counties in economic development planning, policymaking, and implementation. As an EDD, SEAGO has responsibility for the Regional Comprehensive Economic Development Strategy (CEDS), a wide-ranging guide to economic development initiatives throughout the region. The CEDS process, which includes input from member entities, enables SEAGO members to apply for federal grant funding. For more information, visit [www.seago.org](http://www.seago.org).

### **Arizona Quality Jobs Tax Credit**

The Arizona Quality Jobs Tax Credit (QJTC) program offers incentives to encourage business investment and creation of high-quality employment opportunities. Within Cochise County, including all municipalities and unincorporated areas, employers creating 5 or more jobs and making capital investment of at least \$1 million are eligible for up to \$9,000 in Arizona income or premium tax credits per new job over a 3-year period with provisions to carry forward unused amounts for up to 5 consecutive taxable years. To qualify, net new jobs must be full-time permanent positions that pay at least the median county wage (\$32,739 for 2012) and the employer must offer to pay at least 65 percent of health insurance costs of the employee. The program is capped at 10,000 jobs claimed each year by all participants statewide, and each taxpayer is limited to credits for a maximum of 400 new jobs per year. For more information, visit [www.azcommerce.com](http://www.azcommerce.com).



Benson High School

## Education

### Primary and Secondary Education

#### BENSON UNIFIED SCHOOL DISTRICT

The Benson Unified School District (BUSD) has one elementary school, one middle school, and two high schools including San Pedro Valley High School—a charter school sponsored by the district using an alternative web-based instructional model. BUSD recently launched San Pedro Valley Online Academy, which opened for the 2010-2011 school year and offers online instruction for grades 5-12. Career and technical education programs within the district include business and technology, accounting, marketing, culinary arts, construction, agriculture, journalism, digital photography, graphic design, career exploration, welding, and advertising. Benson High School partners with Cochise College to provide a number of upper level classes for dual credit.

Arizona Learns, a program within the Arizona Department of Education, evaluates each Arizona school and assigns a rating with respect to the school's achievement in meeting or exceeding Arizona Standards of Education. Ratings include excelling, highly performing, performing plus, performing, underperforming, and failing, and are issued each fall for the previous year. For the 2010-2011 school year, Benson High School and Benson Primary School were rated highly performing, and Benson Middle School was rated performing plus. San Pedro Valley Online Academy and San Pedro Valley High School were rated performing—the highest rating an alternative high school can receive under the program.

In fiscal year 2011, the student/teacher ratio in BUSD was 17.2, which was below the statewide average of 18.1 but above the peer average of 15.1. The average years of experience for teachers at BUSD in 2011 was 12.2, compared to 10.9 statewide and a peer average of 11.1. The district's graduation rate in 2010 was 85 percent, considerably higher than peer and statewide averages of 77 and 78 percent, respectively. BUSD spent an average of \$7,657 per student in 2011, higher than the statewide average of \$7,485 but below the peer average of \$8,531. From 2007 to 2011, total spending per pupil increased by 2 percent while spending in the classroom declined from 58.6 to 52.4 percent.

BUSD recently completed a \$6 million bond building project that provided numerous campus improvements. In 2011, the BUSD Governing Board authorized sale of an additional \$3 million in bonds for

continued campus upgrades. Since 2009, BUSD has prioritized technology upgrades for both staff and students. For more information, visit [www.bensonsd.k12.az.us](http://www.bensonsd.k12.az.us).

### BENSON UNIFIED SCHOOL DISTRICT ARIZONA LEARNS RATINGS

SCHOOL	2010/2011	2009/2010
Benson High School (9-12)	Highly Performing	Highly Performing
Benson Middle School (5-8)	Performing Plus	Performing Plus
Benson Primary School (pre-K-4)	Highly Performing	Performing Plus
San Pedro Valley High School (9-12)*	Performing	Performing
San Pedro Valley Online Academy (5-12)	Performing	N/A

\*San Pedro Valley High School is a charter alternative high school sponsored by the Benson Unified School District; under Arizona Learns, the highest rating an alternative high school may receive is performing. N/A = Not applicable. Source: Arizona Department of Education.

### ST. DAVID UNIFIED SCHOOL DISTRICT

St. David Unified School District (SDUSD) consists of one elementary school (grades pre-kindergarten through 8) and one high school. Under Arizona Learns, St. David High School was rated highly performing and St. David Elementary School was rated performing plus for the 2010-11 school year. Career and technical education programs in the district include agriculture, business, computer maintenance, childcare, culinary arts, life skills, and welding/small engines. Dual credit courses, offered in partnership with Cochise College, include nursing, culinary arts, and welding. The district's Family, Career and Community Leaders of America (FCCLA) students received gold, silver, and bronze medals at national competitions from 2007 to 2011; students in the district's Distributive Education Clubs of America (DECA) business program had state winners who advanced to the national competition in both 2010 and 2011; and the Future Farmers of America (FFA) had 4 students place in the top 10 in their respective categories in the 2011 state competition.

In fiscal year 2011, the student/ teacher ratio in SDUSD was 14.8, considerably below peer and statewide averages of 17.3 and 18.1, respectively. The average years of experience for teachers at SDUSD in 2011 was 14.8, considerably higher than 10.9 years statewide and the peer average of 12.6 years. The district's graduation rate in 2010 was 90 percent, also considerably higher than statewide and peer averages of 78 and 82 percent, respectively. SDUSD spent an average of \$8,714 per student in 2011, above the statewide average of \$7,485 but below the peer average of \$9,916. From 2007 to 2011, total spending per pupil increased by 13 percent and spending in the classroom increased from 56.9 to 57.4 percent. For more information, visit [www.stdavidschools.org](http://www.stdavidschools.org).

### ST. DAVID UNIFIED SCHOOL DISTRICT ARIZONA LEARNS RATINGS

SCHOOL	2010/2011	2009/2010
St. David High School (9-12)	Highly Performing	Highly Performing
St. David Elementary School (pre-K-8)	Performing Plus	Performing

Source: Arizona Department of Education.

### CHARTER SCHOOLS

In addition to the district schools and the charter alternative high school sponsored by BUSD, Benson also has two public charter schools, each serving grades K-8. New West Schools and Visions Unlimited Academy each enrolled 42 students in the 2010-2011 school year. Both schools were rated performing under Arizona Learns for school year 2010-2011. For more information on New West Schools visit [www.ade.az.gov](http://www.ade.az.gov). To learn more about Visions Unlimited Academy visit [www.visionsunlimitedacademy.com](http://www.visionsunlimitedacademy.com).

### BENSON AREA CHARTER SCHOOLS ARIZONA LEARNS RATINGS

SCHOOL	2010/2011	2009/2010
New West Schools (K-8)	Performing	Performing
Visions Unlimited Academy (K-8)	Performing	Performing

Source: Arizona Department of Education.

### GREATER BENSON AREA PRIMARY AND SECONDARY SCHOOL ENROLLMENT

SCHOOL	2008/2009	2009/2010	2010/2011
<b>Benson Unified School District</b>	<b>1,120</b>	<b>1,142</b>	<b>1,203</b>
Benson High School (9-12)	377	364	376
Benson Middle School (5-8)	310	332	342
Benson Primary School (pre-K-4)	397	418	417
San Pedro Valley High School (9-12)*	36	28	32
San Pedro Valley Online Academy (5-12)	N/A	N/A	36
<b>St. David Unified School District</b>	<b>474</b>	<b>472</b>	<b>468</b>
St. David High School (9-12)	137	127	142
St. David Elementary School (pre-K-8)	337	345	326
<b>Charter Schools</b>	<b>99</b>	<b>78</b>	<b>84</b>
New West Schools (K-8)	37	42	42
Visions Unlimited Academy (K-8)	62	36	42

\*San Pedro Valley High School is a charter alternative high school sponsored by the Benson Unified School District. N/A = Not Applicable. Note: Figures reflect enrollment as of October 1 of each school year. Source: Arizona Department of Education and Cochise College Center for Economic Research.

### PER PUPIL SPENDING BY FUNCTION

	BENSON UNIFIED SCHOOL DISTRICT	ST. DAVID UNIFIED SCHOOL DISTRICT	ARIZONA	UNITED STATES
Total	\$7,657	\$8,714	\$7,485	\$10,591
Classroom Dollars	\$4,013	\$5,004	\$4,098	\$6,456
Non-classroom Dollars	\$3,644	\$3,710	\$3,387	\$4,135
Administration	\$858	\$954	\$728	\$1,147
Plant Operations	\$1,032	\$866	\$927	\$1,033
Food Service	\$391	\$358	\$375	\$404
Transportation	\$478	\$305	\$352	\$443
Student Support	\$623	\$1,174	\$571	\$573
Instruction Support	\$262	\$53	\$434	\$535

Note: Data for the Benson and St. David unified school districts and Arizona are from fiscal year 2011; national figures are from 2009. Source: Arizona Office of the Auditor General.

## Postsecondary Educational Opportunities

### COCHISE COLLEGE

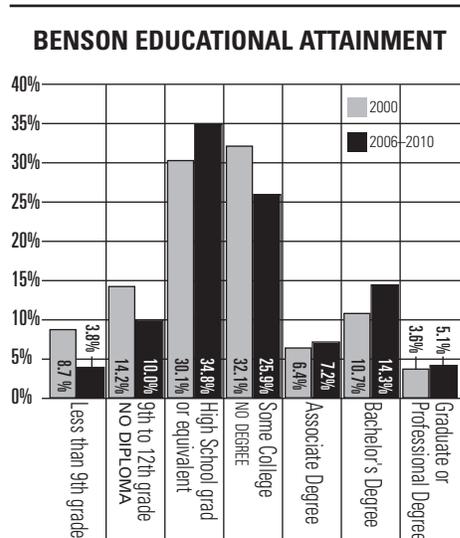
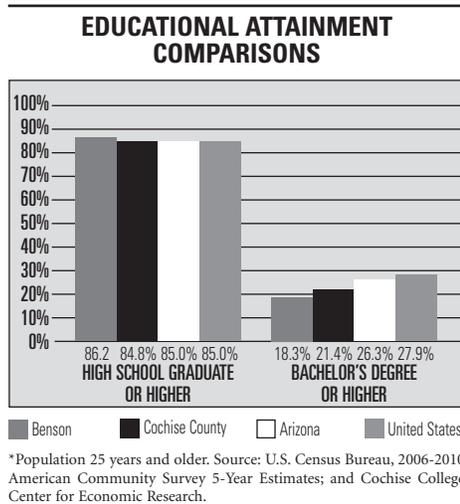
Cochise College is a two-year institution with campuses in Douglas and Sierra Vista and learning centers in Benson, Willcox, and Fort Huachuca. The college also offers classes in Bisbee and online, as well as in neighboring Santa Cruz County. Cochise College offers 2-year degrees in a variety of fields, including administration of justice, early childhood care and education, elementary education, secondary education in several teaching fields, economics, journalism and media arts, mathematics, political science, psychology, social work, business administration, computer information systems, allied health, computer science, engineering, physics, pre-nursing, agriculture, automotive technology, avionics technology, building construction technology, culinary arts, fire science technology, hospitality administration, intelligence operations, interpretation and translation (English/Spanish), paramedicine, professional pilot technology, registered nurse, welding technology, and several other arts and sciences fields. Cochise College also offers certificate programs in numerous fields, non-credit personal enrichment classes, GED, English Language Acquisition, workforce training, and numerous other learning opportunities through its Center for Lifelong Learning, Adult Education Center, and Small Business Development Center. The college's Center for Economic Research conducts community outreach activities, tracks trends in the local economy, and publishes local economic research. The college's athletic programs draw students nationally and internationally.

Cochise College’s 13,000 square-foot Benson Center has a 15-seat computer lab, nursing lab, 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. Face-to-face classes focus on general education courses for university transfer, such as math, English, biology and humanities. Special emphasis is placed on prerequisites for the college’s nursing program. Students can complete an associate degree at the Benson Center through a combination of in-class, interactive television (ITV), and online courses. The college also partners with Benson High School and St. David High School to provide dual credit and reverse credit classes to juniors and seniors. A full-time staff provides placement assessment, GED testing, advising, admissions, registration, and financial aid. The center is located off Interstate 10 along State Route 90 in Benson, making it accessible to both Cochise and Pima counties. The Benson Center has designated space to provide computer training to area businesses and has partnered with several federal, state, and local agencies to provide meeting space for a fee. The Benson Center hosts numerous community and cultural events including live musical performances, movie screenings, and art exhibits. The facility is also available for rent for private events such as wedding receptions, banquets, and graduations.

Cochise College is accredited by the Higher Learning Commission of the North Central Association. To learn more about Cochise College, visit [www.cochise.edu](http://www.cochise.edu).

### Educational Attainment

According to the U.S. Census Bureau’s 2006-2010 American Community Survey (ACS), 86.2 percent of Benson’s population aged 25 years and older has at least a high school diploma or equivalent. This is considerably above countywide, statewide, and national levels. Approximately 18.3 percent of Benson residents hold a bachelor’s degree or higher, which is lower than county, state, and national levels. Between Census 2000 and the 2006-2010 ACS, the share of Benson residents aged 25 years and older with less than a 9th grade education declined from 8.7 to 3.8 percent. Over the same period, residents with a 9th to 12th grade education but without a high school diploma decreased from 14.2 to 10 percent. High school graduates (or equivalent) increased from 30.1 to 34.8 percent, while the share of residents with some college but no degree decreased from 32.1 to 25.9 percent. The share of residents with an associate degree increased from 6.4 to 7.2 percent of the city’s population aged 25 years and older, the share of residents with a bachelor’s degree increased from 10.7 to 14.3 percent, and the share of residents with a graduate or professional degree increased from 3.6 to 5.1 percent.





Benson Hospital

## Healthcare

### Overview

In addition to Benson Hospital described below, Benson is home to numerous private-practice physicians and healthcare providers, including Good Samaritan Society—Quiburi Mission, a 60-bed Medicare-certified skilled nursing center ([www.good-sam.com](http://www.good-sam.com)) and Cenpatico, a behavioral health provider ([www.cenpatico.com](http://www.cenpatico.com)).

### Benson Hospital

Benson Hospital includes seven local physicians, one physician's assistant, and specialists in cardiology and pulmonology. Over the years, specialists in other areas including mammography and orthopedics have been available—this varies with economic changes. Technical staff includes certified technologists, technicians, and various technical assistants.

Benson Hospital provides 24-hour emergency care including trauma, cardiac, and respiratory care and can transfer patients to nearby facilities when necessary. Inpatient services include acute care, skilled nursing, swing beds, hospice care, respiratory therapy, and inpatient drug therapy. Comprehensive laboratory and imaging services are offered, as well as nutritional consultations. Rehabilitation services are available on site. The hospital also provides a variety of outpatient services including chemotherapy, IV hydration, IV antibiotic therapy, injections, EKGs, respiratory therapy, and wound therapy. Benson Hospital has 22 acute-care beds with cardiac telemetry capability. The hospital offers physical, occupational, and speech therapies in a variety of settings, including at the hospital, nursing homes, patient homes, and work sites.

Over the years, specialists in other areas including mammography and orthopedics have been available—this varies with economic changes.

Benson Hospital participates in Tele-trauma with the University Medical Center (UMC) in Tucson. The program connects a trauma surgeon at UMC with the rural emergency room physician by remote technology when needed.

For more information, visit [www.bensonhospital.org](http://www.bensonhospital.org).

### HOSPITAL MILEAGE CHART

	Benson Hospital	Copper Queen Community Hospital	Holy Cross Hospital	Northern Cochise Community Hospital	Northwest Medical Center	Southeast Arizona Medical Center	Sierra Vista Regional Health Center	St. Joseph's Hospital	St. Mary's Hospital	Tucson Medical Center	Tucson Heart Hospital	University Medical Center	University Physician Hospitals
Benson Hospital	0	52	75	37	67	72	35	45	49	49	58	48	43
Copper Queen Community Hospital	52	0	91	86	118	22	27	95	100	99	108	99	94
Holy Cross Hospital	75	91	0	110	84	111	64	72	67	73	75	70	65
Northern Cochise Community Hospital	37	86	110	0	103	72	71	80	85	84	93	84	79
Northwest Medical Center	67	118	84	103	0	137	94	21	16	18	11	15	25
Southeast Arizona Medical Center	72	22	111	72	137	0	47	115	120	119	128	118	114
Sierra Vista Regional Health Center	35	27	64	71	94	47	0	72	77	77	86	76	71
St. Joseph's Hospital	45	95	72	80	21	115	72	0	10	3	11	6	8
St. Mary's Hospital	49	100	67	85	16	120	77	10	0	9	8	5	10
Tucson Medical Center	49	99	73	84	18	119	77	3	9	0	8	4	8
Tucson Heart Hospital	58	108	75	93	11	128	86	11	8	8	0	5	10
University Medical Center	48	99	70	84	15	118	76	6	5	4	5	0	5
University Physician Hospitals	43	94	65	79	25	114	71	8	10	8	10	5	0

Source: Cochise College Center for Economic Research.



Vendors at Butterfield Overland Stage Days • Photo: Benson Visitor Center

## Demographics

### Population Estimates and Projections

The population of Benson as of July 2011 was 5,077 according to estimates by the Arizona Office of Employment and Population Statistics (OEPS). This was down 0.5 percent from Census 2010. Benson's population will reach 5,229 in 2016, according to projections by the Cochise College Center for Economic Research. The city is projected to see average annual population growth of 0.6 percent. Although the population of the incorporated city limits is 5,077, Benson is part of a larger community with a total population of 12,520 (as of Census 2010) including St. David, Mescal, Pomerene, and other unincorporated areas. The population of the area swells considerably from October through April each year with an influx of winter visitors, commonly referred to as snowbirds. As of Census 2010, 6.7 percent of housing units in the city were vacant for seasonal, recreational, or occasional use, nearly twice the national level and more than double the countywide level.

#### POPULATION

	BENSON		COCHISE 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%
2010	5,105	8.4%	131,346	11.5%	6,392,017	24.6%
2011	5,077	-0.5%	130,537	-0.6%	6,438,178	0.7%

Note: Growth rates shown for 2000 and 2010 reflect preceding 10-year period; rates for 2011 forward are annual. Source: U.S. Census Bureau, Arizona Office of Employment and Population Statistics, and Cochise College Center for Economic Research.

#### POPULATION PROJECTIONS

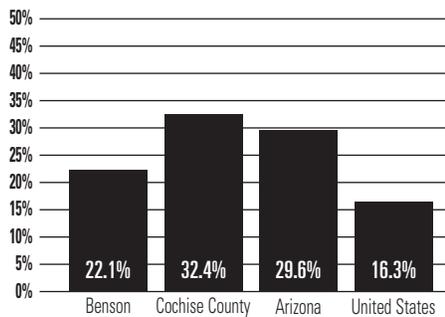
YEAR	BENSON	% GROWTH	COCHISE COUNTY	% GROWTH
2012	5,107	0.6%	131,842	1.0%
2013	5,138	0.6%	133,161	1.0%
2014	5,168	0.6%	134,492	1.0%
2015	5,199	0.6%	135,837	1.0%
2016	5,229	0.6%	137,196	1.0%

Source: Cochise College Center for Economic Research.

## Race and Ethnicity

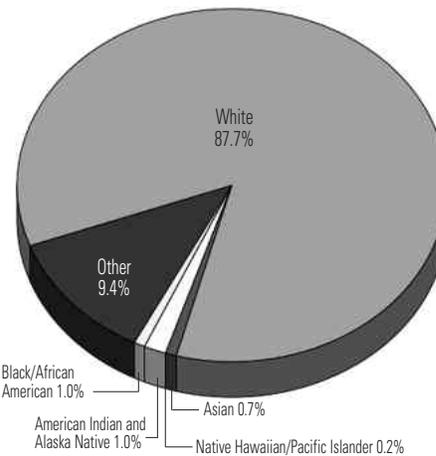
As of Census 2010, 22.1 percent of Benson’s population is Hispanic or Latino, up from 19.8 percent in 2000. Benson’s Hispanic/Latino population is considerably smaller than the county and state (32.4 and 29.6 percent, respectively). Nationally, Hispanics/Latinos account for 16.3 percent of the population. Benson’s population as of Census 2010 is 87.7 percent White, 1 percent Black or African American, 1 percent American Indian and Alaska Native, 0.7 percent Asian, 0.2 percent Native Hawaiian and other Pacific Islander, and 9.4 percent other (including multiracial). (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.)

**HISPANIC/LATINO POPULATION**



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, Census 2010; and Cochise College Center for Economic Research.

**BENSON RACIAL COMPOSITION**



Note: Discrepancies are due to rounding. 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, Census 2010; and Cochise College Center for Economic Research.

## Age Groups

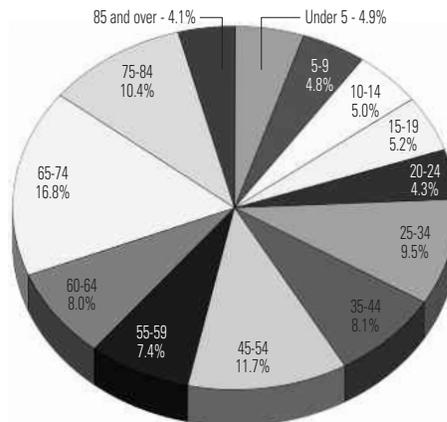
As of Census 2010, the median age of Benson’s population is 52.5 years, considerably above 39.7 years for all of Cochise County and 35.9 years statewide. As of Census 2010, 82 percent of Benson’s population is aged 18 years and older (up from 80.5 percent in 2000); 36.1 percent is aged 62 and older (up from 34.4 percent); and 31.3 percent is 65 and older (up from 29.3 percent). The fastest-growing age group in the city between 2000 and 2010 was the 85 years and older group, which grew from 2.9 to 4.1 percent of the population. Second was the 25 to 34 years group (7.4 to 9.5 percent) and third was 55 to 59 (6 to 7.4 percent).

**BENSON CHANGES IN AGE GROUP DISTRIBUTION**

	2000	2010
Under 5	5.3%	4.9%
5 to 9	5.5%	4.8%
10 to 14	5.7%	5.0%
15 to 19	5.5%	5.2%
20 to 24	4.3%	4.3%
25 to 34	7.4%	9.5%
35 to 44	10.6%	8.1%
45 to 54	12.4%	11.7%
55 to 59	6.0%	7.4%
60 to 64	8.2%	8.0%
65 to 74	16.4%	16.8%
75 to 84	10.0%	10.4%
85 and over	2.9%	4.1%

Source: U.S. Census Bureau, Census 2000 and 2010; and Cochise College Center for Economic Research.

**BENSON AGE GROUPS**



Note: Discrepancies are due to rounding. Source: U.S. Census Bureau, Census 2010; and Cochise College Center for Economic Research.

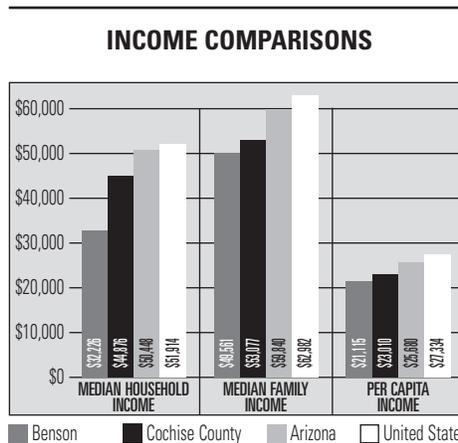
Other age groups that increased as a share of the population were 75 to 84 years (10 to 10.4 percent) and 65 to 74 years (16.4 to 16.8 percent). The 20-24 years group stabilized at 4.3 percent from 2000 to 2010 and all other age groups declined as a share of the total population. Contributors to growth in the upper age groups include the area's increasing popularity as a retirement destination, longer life spans, and the aging baby-boomer generation.

## Household Characteristics

As of Census 2010, the average household size in Benson is 2.12 persons, down from 2.22 in 2000. The declining household size is likely due to the growing senior population who tend to have smaller household sizes. As of Census 2010, 59.3 percent of Benson households are families, down from 64.6 percent in 2000. A total of 16.9 percent of households in the city have children under 18 years old (down from 18.9 percent in 2000) and 47.2 percent have seniors 65 and older (up from 45.3 percent). A total of 4.3 percent of Benson households are headed by single mothers, compared to 6.4 percent countywide and 7.1 percent statewide. As of the 2006-2010 American Community Survey, 8.1 percent of Benson's population had relocated to the city within the previous year from outside Cochise County.

## Income

The median household income in Benson from 2006 to 2010 was \$32,226 (in 2010 dollars). Median family income is \$49,561 and per capita income is \$21,115. Each measure of income in Benson is considerably lower than county, statewide, and national levels.



Note: All figures expressed in 2010 dollars. Source: U.S. Census Bureau, 2006-2010 American Community Survey 5-Year Estimates; and Cochise College Center for Economic Research.



Wal-Mart Supercenter

## Employment

### Arizona Department of Economic Security

The Arizona Department of Economic Security (DES) offers free employment and training services to employers and individuals. DES helps job seekers find employment and offers customized services to employers including special services for employers with a large volume of vacancies or unusual needs. Employment specialists screen and refer applicants, while employers make the final selection. Employment specialists can also write job orders and descriptions, provide assistance with mass recruitment, and conduct on-site visits. DES also provides career guidance, employment skills workshops, and referrals to other training. For more information, visit [www.azdes.gov](http://www.azdes.gov).

### Cochise County Workforce Development

Cochise County Workforce Development (CCWD) is a 501c(3) federally funded private, non-profit corporation offering one-stop services for businesses, job seekers, veterans, soldiers in transition, military spouses, and youth. For businesses, CCWD offers outplacement services; training and retraining; temporary satellite office space for business access to computers, printer, copier, phone, fax, and internet; and assistance to business closure. For job seekers, CCWD offers career development information, job-search resources, and training programs. For more information, visit [cochiseworkforce.com](http://cochiseworkforce.com).

### Employment, Unemployment, Labor Force, and Job Growth

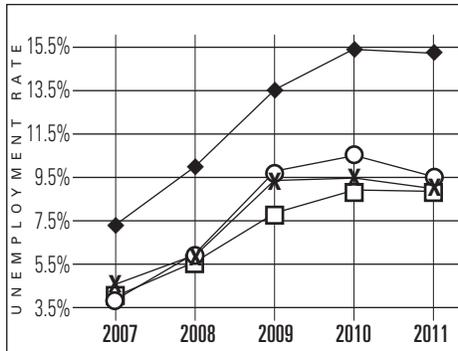
According to estimates by the Arizona Office of Employment and Population Statistics (OEPS), Benson's unemployment rate in 2011 was 15.2 percent, considerably above the countywide rate of 8.8 percent, the statewide rate of 9.5 percent, and the national rate of 9 percent. Benson's unemployment rate in 2011 was down marginally from 15.3 percent in 2010. Although the annual unemployment rate in Benson was 15.2 percent in 2011, improvement was evident in the closing months of the year. In September, Benson's seasonally adjusted monthly rate was 15.4 percent. This dropped to 15.2 percent in October, 14.4 percent in November, and 14.1 percent in December. Benson's seasonally adjusted monthly unemployment rate further dropped to 13.6 percent in January 2012.

**UNEMPLOYMENT RATE**

	BENSON	COCHISE COUNTY	ARIZONA	UNITED STATES
2007	7.2%	4.0%	3.8%	4.6%
2008	9.9%	5.6%	5.9%	5.8%
2009	13.5%	7.8%	9.7%	9.3%
2010	15.3%	8.8%	10.5%	9.6%
2011	15.2%	8.8%	9.5%	9.0%

Source: Arizona Office of Employment and Population Statistics and Cochise College Center for Economic Research.

**UNEMPLOYMENT RATE**



Source: Arizona Office of Employment and Population Statistics and Cochise College Center for Economic Research.

- ◆ Benson
- Cochise County
- Arizona
- ✕ United States

**BENSON LABOR MARKET DATA**

	CIVILIAN LABOR FORCE	EMPLOYMENT	UNEMPLOYMENT	JOB GAINS	JOB GROWTH RATE
2007	2,345	2,176	169	23	1.1%
2008	2,525	2,274	251	98	4.5%
2009	2,702	2,336	366	62	2.7%
2010	2,695	2,284	411	-52	-2.2%
2011	2,628	2,228	400	-56	-2.5%

Source: Arizona Office of Employment and Population Statistics and Cochise College Center for Economic Research.

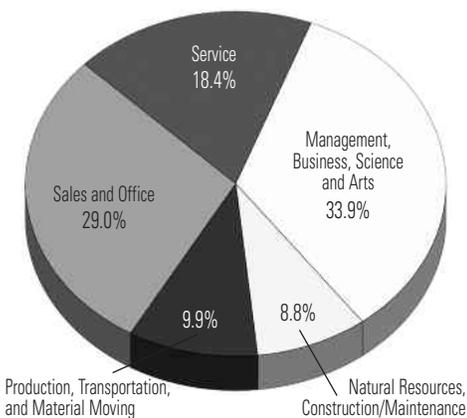
According to OEPS estimates, Benson’s civilian labor force in 2011 consisted of 2,628 potential workers, of whom 2,228 were employed. The civilian labor force consists of those persons 16 years and older residing in the city who either are employed or are actively seeking work, and excludes active duty military personnel. The city also draws from the labor forces of surrounding communities. Countywide, the 2011 civilian labor force, according to OEPS estimates, consisted of 61,397 actual or potential workers, of whom 55,992 were employed.

Benson saw a net loss of 56 jobs in 2011 for job growth of -2.5 percent. From the beginning of the national recession in 2007 through 2011, the number of unemployed people in Benson increased from 169 to 400. Countywide, the number of unemployed people climbed from 2,281 to 5,405, according to OEPS estimates.

**Occupations and Classes of Workers**

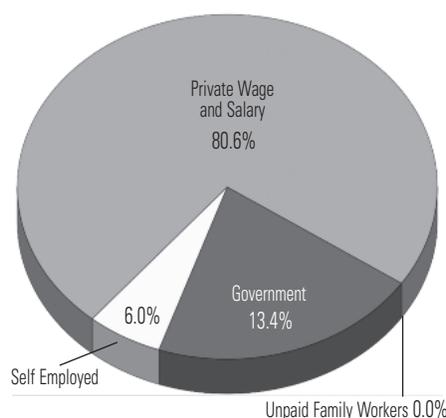
According to the U.S. Census Bureau’s 2006-2010 American Community Survey (ACS), 33.9 percent of workers residing in Benson are employed in management, business, science, and arts occupations, 29 percent are employed in sales and office occupations, and 18.4 percent are employed in service occupations. Production, transportation, and material moving occupations employ 9.9 percent of Benson’s workers, while

**BENSON OCCUPATIONS**



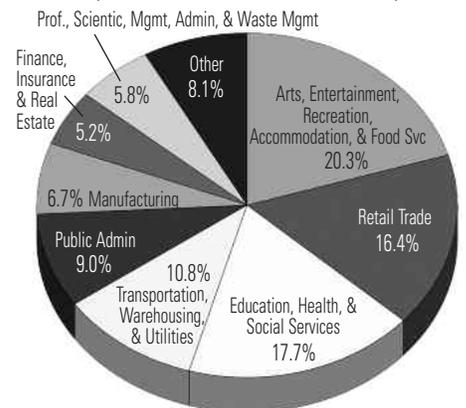
Source: U.S. Census Bureau, 2006-2010 American Community Survey 5-Year Estimates; and Cochise College Center for Economic Research.

**BENSON CLASSES OF WORKERS**



Source: U.S. Census Bureau, 2006-2010 American Community Survey 5-Year Estimates; and Cochise College Center for Economic Research.

**INDUSTRIES IN BENSON (BY SHARE OF WORKFORCE)**



Note: Includes only those industries comprising at least 5 percent of the workforce. Source: U.S. Census Bureau, 2006-2010 American Community Survey 5-Year Estimates; and Cochise College Center for Economic Research.

natural resources, construction, and maintenance occupations employ 8.8 percent. Of Benson workers, 80.6 percent are private wage and salary workers, while 13.4 percent are government workers. Self-employed workers in unincorporated businesses account for 6 percent of Benson workers.

## Industries

The industry grouping employing the largest number of Benson workers is arts, entertainment, recreation, accommodation, and food services, which employs 20.3 percent as of the 2006-2010 American Community Survey. This is followed by educational, health and social services (17.7 percent), retail trade (16.4 percent), transportation and warehousing, and utilities (10.8 percent), public administration (9 percent), manufacturing (6.7 percent), professional, scientific, management, administrative, and waste management services (5.8 percent), and finance and insurance, real estate, and rental and leasing (5.2 percent). All other industries each employ fewer than 5 percent of Benson workers. 0

### BENSON AREA BUSINESS ESTABLISHMENTS BY EMPLOYMENT-SIZE CLASS, 2009

INDUSTRY	Number of establishments by employment-size class							TOTAL
	1-4	5-9	10-19	20-49	50-99	100-249	250-499	
Accommodation & food services	8	5	10	8	1	0	0	32
Admin, support, waste mgt, remediation services	8	0	1	0	0	0	1	10
Arts, entertainment & recreation	3	1	1	2	0	0	0	7
Construction	20	7	0	1	0	0	0	28
Educational services	5	1	0	0	0	0	0	6
Finance & insurance	5	3	0	0	0	0	0	8
Forestry, fishing, hunting, and agriculture	2	0	0	0	0	0	0	2
Health care and social assistance	9	2	5	2	1	2	0	21
Information	1	0	0	0	0	0	0	1
Management of companies & enterprises	1	0	0	0	1	0	0	2
Manufacturing	2	2	1	0	1	0	0	6
Other services (except public administration)	18	4	0	0	0	0	0	22
Professional, scientific & technical services	8	5	1	0	0	0	0	14
Real estate & rental & leasing	9	3	0	0	0	0	0	12
Retail trade	15	12	4	0	1	1	0	33
Transportation & warehousing	5	3	1	1	0	0	0	10
Utilities	0	0	1	1	0	1	0	3
Wholesale trade	3	0	0	0	0	0	0	3
TOTAL	122	48	25	15	5	4	1	220

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

## Major Employers

In 2011, Arizona's G & T Cooperatives remained the top employer in Benson based on the number of fulltime equivalent (FTE) employees. An FTE employee equals one fulltime or two part-time employees. Arizona's G & T Cooperatives employed 286 FTE employees in 2011. The second largest employer is Wal-Mart, which employs 220 FTE employees. The Benson Unified School District is third with 163 FTE employees. Benson Hospital is fourth at 124. City of Benson is the fifth-largest employer with 100 FTE employees. The list of top employers includes only those who respond to the Cochise College Center for Economic Research's annual Top Employers Survey. Most private-sector employers in the Benson area are small businesses. According to the U.S. Census Bureau, nearly 90 percent of business establishments in Benson with employees employ fewer than 20 workers. More than half of all businesses with employees employ fewer than 5 workers each.

Between 2005 and 2009, the number of businesses in the Benson area with employees increased from 207 to 220 according to the Census Bureau; however, the 2009 figure was down from 231 in 2007 and 224 in 2008. The number of private sector employees grew from 2,244 to 2,530 from 2005 to 2009, a 12.7 percent increase.

However, as with the number of business establishments, the number of employees dropped between 2007 and 2009, falling from 2,635 to 2,530—a 4 percent decline. From 2005 to 2009, the total annual payroll of businesses in the Benson area increased from \$59.8 to \$91.4 million. On a per-employee basis, private-sector payrolls grew by 35.5 percent between, from \$26,660 to \$36,132. Inflation during this period was 9 percent for a real increase of 26.5 percent in the purchasing power of private sector payrolls.

## Wages

In 2010, the average wage per hour in Benson was \$16.36, considerably lower than the countywide average of \$20.09, the statewide average of \$20.38, and the national average of \$21.35. The average annual wage in Benson for 2010 was \$34,026, compared to \$41,795 for the county, \$42,389 for the state, and \$44,410 nationwide.

The average wage in Cochise County in 2010 was the fourth highest of Arizona's 15 counties, behind Greenlee, Maricopa, and Pima counties. The average wage in Cochise County grew 6.8 percent in 2010, considerably higher than the statewide increase of 3.6 percent. Wage growth in Cochise County was the second highest of Arizona's 15 counties in 2010, behind Coconino County, which saw wages increase by 9.5 percent. In recent years, the gap between wages in Cochise County and statewide has narrowed considerably. In 2004, Cochise County wages were 8.9 percent below the statewide average; this narrowed to 1.4 percent in 2010. From 2000 to 2010, Cochise County wages increased by 48 percent, compared to 26.6 percent inflation during the same period. This reflects real wage growth (an increase in the purchasing power of wages) of 21.4 percent.

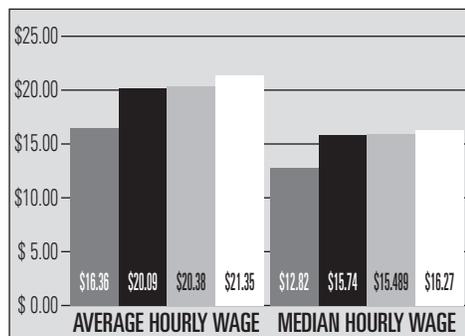
(Note: National wages are estimated by the U.S. Department of Labor, state and county figures are estimated by OEPS, and city figures are estimated by the CER.)

## BENSON'S TOP 10 EMPLOYERS, 2011

EMPLOYER	NUMBER OF FULLTIME EQUIVALENT (FTE) EMPLOYEES*
Arizona's G & T Cooperatives	286
Wal-Mart Supercenter of Benson	220
Benson Unified School District	163
Benson Hospital Corporation	124
City of Benson	100
SE AZ Behavioral Health Services, Inc.	91
Apache Nitrogen Products, Inc.	80
Quiburi Mission	52
Cochise County	34
Sulphur Springs Valley Electric Cooperative	32

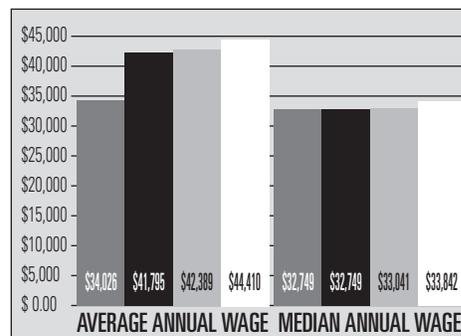
Note: A fulltime equivalent employee equals one fulltime employee or two part-time employees. For employers with multiple site locations, the number of fulltime equivalent employees reflects only those employees reporting to work in Benson. This list includes only those employers who responded to the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

### HOURLY WAGE COMPARISONS, 2010



Source: U.S. figures are reported by the U.S. Department of Labor. State and county figures are reported by the Arizona Office of Employment and Population Statistics. City figures are estimated by the Cochise College Center for Economic Research using a census ratio model.

### ANNUAL WAGE COMPARISONS, 2010



Source: U.S. figures are reported by the U.S. Department of Labor. State and county figures are reported by the Arizona Office of Employment and Population Statistics. City figures are estimated by the Cochise College Center for Economic Research using a census ratio model.

## Cochise County Employment

In 2011, Cochise County lost 175 nonfarm jobs for job growth of -0.5 percent. The only industries to see positive job growth were the federal government, information, other services, and trade, transportation, and utilities. Federal government gained 350 jobs for annual job growth of 6.3 percent. Information added 25 jobs for job growth of 4 percent. Other services grew by 50 jobs for growth of 5.7 percent. Trade, transportation, and utilities gained 150 jobs for job growth of 2.5 percent. The number of jobs in financial activities and leisure and hospitality stabilized at 2010 levels in 2011. All other industries in Cochise County lost jobs in 2011. State and

local government lost 50 jobs for an annual job growth rate of -0.7 percent. In the private sector, professional and business services dropped 350 jobs (-6.3 percent), construction shed 175 jobs (-10.9 percent), educational and health services declined by 150 jobs (-3.5 percent), and manufacturing lost 50 jobs (-8.7 percent).

### BENSON BUSINESS ESTABLISHMENTS, EMPLOYEES, AND PAYROLL

	2005	2006	2007	2008	2009
No. of Business Establishments	207	230	231	224	220
Number of Employees	2,244	2,498	2,635	2,587	2,530
Annual Payroll	\$59,826,000	\$70,614,000	\$81,254,000	\$87,036,000	\$91,413,000
Annual Payroll Per Employee	\$26,660	\$28,268	\$30,836	\$33,644	\$36,132
Annual Payroll Per Employee Growth	12.6%	6.0%	9.1%	9.1%	7.4%

Note: Includes businesses located in zip code 85602. Does not include government sector. Source: U.S. Census Bureau and the Cochise College Center for Economic Research.

### COCHISE COUNTY NON-FARM PAYROLL EMPLOYMENT

	2011	2010	CHANGE	% CHANGE
Total Non-farm	36,975	37,150	-175	-0.5%
Total Private	24,125	24,625	-500	-2.0%
Goods Producing	1,925	2,175	-250	-11.5%
Construction*	1,425	1,600	-175	-10.9%
Manufacturing	525	575	-50	-8.7%
Service-Providing	35,025	34,975	50	0.1%
Private Service-Providing	22,200	22,450	-250	-1.1%
Trade, Transportation, and Utilities	6,250	6,100	150	2.5%
Information	650	625	25	4.0%
Financial Activities	925	925	0	0.0%
Professional and Business Services	5,250	5,600	-350	-6.3%
Educational and Health Services	4,175	4,325	-150	-3.5%
Leisure and Hospitality	4,000	4,000	0	0.0%
Other Services	925	875	50	5.7%
Government	12,850	12,525	325	2.6%
Federal Government	5,900	5,550	350	6.3%
State and Local Government	6,925	6,975	-50	-0.7%

\*Includes mining. Note: Numbers are rounded to the nearest 25. Discrepancies are due to rounding. Source: Arizona Office of Employment and Population Statistics and Cochise College Center for Economic Research.

## Outlook

Employment data toward the end of 2011 and early 2012 showed improvement in job growth and the unemployment rate at the national, state, and local levels. August 2011 was the first month of positive year-over-year job growth at the county level since December 2008, although growth was modest at less than one-half a percent. The county saw positive job growth in 5 of 6 months from August 2011 through January 2012, with employment levels in January 0.4 percent higher than January 2011. January's unemployment rate at the county level was at its lowest level since July 2009. Job growth and unemployment are likely to continue on this path of modest improvement through 2012 and 2013. State and local government jobs should stabilize as government budgets improve.

## A Note on Employment Data

Employment data are widely regarded as one of the most important economic indicators; however, they are subject to sizable revisions. For the most up-to-date employment data for the local economy, visit the CER's website at [www.cochise.edu/cer](http://www.cochise.edu/cer).



4th Street • Photo: Benson Visitor Center

## Retail trade and commerce

### Population Served by Benson's Retail Market

The City of Benson's location along Interstate 10 at the junctions of state routes 80 and 90 makes it easily accessible to tens of thousands of travelers each day. The section of Interstate 10 that runs through Benson is the busiest stretch of highway in Cochise County with an average annual daily traffic count of 32,000 in 2010. More vehicles pass through Benson along Interstate 10 each day than pass through the heart of nearby Sierra Vista's commercial district, which serves an estimated retail market of more than 110,000 people. The opening of the Wal-Mart Supercenter in Benson in November 2006 has lured shoppers to the city from across northern Cochise County and neighboring Pima and Graham counties. This benefits not only the Benson economy, but Cochise County as a whole by bringing in outside dollars that generate economic activity, jobs, earnings, and tax revenue.

#### AVERAGE ANNUAL DAILY TRAFFIC COUNT, BENSON AREA

LOCATION	2006	2007	2008	2009	2010
I-10, Exit 297 to Exit 299	29,400	30,500	29,500	28,500	32,000
I-10, Exit 299 to Exit 302	30,700	31,000	29,500	29,500	30,000
I-10, Exit 302 to Exit 303	26,100	27,500	25,000	25,500	28,000
I-10, Exit 303 to Exit 304	17,400	17,000	16,500	17,500	18,000
I-10, Exit 304 to Exit 306	17,000	18,000	17,500	17,000	17,500
SR 80, SB-10(3) to Country Club Dr	10,100	10,500	10,500	10,000	10,500
SR 80, Country Club Dr to Post Ranch Rd	7,400	7,600	7,500	7,400	7,500
SR 80, Country Club Dr to Apache Powder Rd (South)	7,400	7,600	7,500	7,400	7,100
SR 80, Apache Powder (South) to ADOT Maint. Yard	6,600	7,000	6,900	6,800	6,900
SR 80, ADOT Maintenance Yard Entrance to Judd St	4,600	5,000	4,900	4,900	4,900
SR 90, I-10 Exit 302 to Kartchner Main Entrance	9,700	9,700	9,500	10,000	10,500

Note: Figures are rounded to nearest hundred. Source: Arizona Department of Transportation and Cochise College Center for Economic Research.

## Taxable Sales

In 2011, the City of Benson collected \$3 million in sales tax revenue, down 1 percent, or \$29,867, from 2010. The biggest decline was in retail trade, which saw revenue drop by 6.4 percent or \$112,392. Construction generated the most new sales tax dollars for the city in 2011, increasing by 30.6 percent and bringing in an additional \$104,190. The largest sales tax revenue generator for the city is retail trade, which accounted for 54.8 percent of total sales tax revenue in 2011. This is followed by construction at a distant 14.9 percent and restaurant and bar at 9.3 percent. (Note: Tax collection data are based on processing month, not sales month.)

### BENSON SALES TAX REVENUE BY INDUSTRY GROUP, 2011

INDUSTRY GROUP	SALES TAX REVENUE	SHARE OF TOTAL SALES TAX REVENUE
Retail Trade	\$1,639,018	54.8%
Construction	\$444,752	14.9%
Restaurant & Bar	\$277,651	9.3%
Accommodation	\$181,553	6.1%
Real Estate, Rental & Leasing	\$157,095	5.3%
Communications & Utilities	\$129,648	4.3%
Services	\$54,616	1.8%
Manufacturing	\$53,944	1.8%
Wholesale Trade	\$26,386	0.9%
Other	\$23,785	0.8%
Finance & Insurance	\$924	0.0%
<b>TOTAL</b>	<b>\$2,989,372</b>	

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

### BENSON RETAIL SALES TAX REVENUE

YEAR	TAX REVENUE	% CHANGE	INFLATION-ADJUSTED GROWTH
2007	\$1,817,323	45.6%	42.8%
2008	\$1,836,538	1.1%	-2.7%
2009	\$1,742,789	-5.1%	-4.7%
2010	\$1,751,410	0.5%	-1.1%
2011	\$1,639,018	-6.4%	-9.6%

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

### BENSON SALES TAX REVENUE COLLECTIONS, ANNUAL COMPARISON

INDUSTRY GROUP	2011	2010	GROWTH (\$)	GROWTH (%)
Construction	\$444,752	\$340,562	\$104,190	30.6%
Wholesale Trade	\$26,386	\$13,030	\$13,356	102.5%
Manufacturing	\$53,944	\$48,599	\$5,345	11.0%
Other	\$23,785	\$19,136	\$4,649	24.3%
Services	\$54,616	\$52,356	\$2,260	4.3%
Real Estate, Rental & Leasing	\$157,095	\$156,350	\$745	0.5%
Finance & Insurance	\$924	\$903	\$21	2.3%
Communications & Utilities	\$129,648	\$136,544	-\$6,896	-5.1%
Accommodation	\$181,553	\$197,088	-\$15,535	-7.9%
Restaurant & Bar	\$277,651	\$303,259	-\$25,608	-8.4%
Retail Trade	\$1,639,018	\$1,751,410	-\$112,392	-6.4%
<b>TOTAL</b>	<b>\$2,989,372</b>	<b>\$3,019,237</b>	<b>-\$29,867</b>	<b>-1.0%</b>

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

## Retail Sales

Benson's retail sales tax collections in 2011 were down 9.6 percent after adjusting for inflation. Declines from 2008 through 2011 were on the heels of a 42.8 percent jump in 2007 following the opening of the Wal-Mart Supercenter. In the 12 months following the opening of Wal-Mart, the city's retail sales tax revenue increased by 45.6 percent, or an additional \$569,000. This suggests an increase in retail sales of about \$22.5 million, accounted for by Wal-Mart and other businesses that relocated to, or expanded in Benson in 2007.

## Restaurant and Bar Sales

Benson's restaurant and bar sales struggled in 2007 and 2008, declining both years in real, inflation-adjusted terms. In 2009, sales rebounded growing at a pace of 9.5 percent after adjusting for inflation, but this was followed by a 3.7 percent decline in 2010 and an 11.1 percent drop in 2011. Benson's restaurant and bar sales in 2011 accounted for 8.3 percent of the countywide total, down from 9.3 percent in 2010.

BENSON RESTAURANT & BAR SALES				BENSON ACCOMMODATION SALES			
YEAR	SALES	% CHANGE	INFLATION-ADJUSTED GROWTH	YEAR	TOTAL REVENUE	% CHANGE	INFLATION-ADJUSTED GROWTH
2007	\$10,943,520	-0.3%	-3.1%	2007	\$4,546,022	20.4%	17.6%
2008	\$11,297,360	3.2%	-0.6%	2008	\$4,379,289	-3.7%	-7.5%
2009	\$12,328,920	9.1%	9.5%	2009	\$4,123,200	-5.8%	-5.5%
2010	\$12,075,640	-2.1%	-3.7%	2010	\$4,233,889	2.7%	1.0%
2011	\$11,112,520	-8.0%	-11.1%	2011	\$4,109,489	-2.9%	-6.1%

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

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

## Accommodation Receipts

In 2011, accommodation sales (hotel, motel, RV Park, and other temporary lodging stays of less than 30 days) in Benson totaled \$4.1 million, down 6.1 percent from the year prior, after adjusting for inflation. Despite the decline, Benson's accommodation receipts in 2011 accounted for 10.1 percent of the countywide total, up from 9.3 percent in 2010. Benson continues to capture a relatively large share of the county's accommodation market due to its location along Interstate 10, which makes it a convenient overnight stop, as well as the city's close proximity to Kartchner Caverns. Benson's accommodation industry also benefits from military and civilian personnel on temporary duty to nearby Fort Huachuca.

BENSON SHARE OF COCHISE COUNTY SALES						BENSON ACTIVE BUSINESS LICENSES		
CATEGORY	2007	2008	2009	2010	2011	YEAR	ACTIVE BUSINESS LICENSES	% CHANGE
Restaurant & Bar	8.9%	8.8%	9.6%	9.3%	8.3%	2008	831	25.0%
Accommodation	10.5%	9.6%	10.0%	9.3%	10.1%	2009	850	2.3%
						2010	732	-13.9%
						2011	740	1.1%
						2012	728	-1.6%

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

Note: As of April each year. Source: City of Benson.

## Business Establishments

According to the U.S. Census Bureau there were 220 business establishments with employees located in the Benson area (zip code 85602) as of 2009. The industry with the largest number of firms was retail trade with 33, followed closely by accommodation and food services (32), construction (28), other services (22), and health care and social assistance (21). From 2008 to 2009, the number of businesses establishments in the Benson area declined by 4, or 1.8 percent. From 2005 to 2009, the number of business establishments grew by 13 (6.3 percent).

According to the City of Benson, the number of active business licenses in the city as of April decreased from 740 to 728 (-1.6 percent) from 2011 to 2012. From 2008 to 2012, the number of active licenses fell by 103 (-12.4 percent). These figures are not directly comparable to Census Bureau business establishment figures discussed above since business licenses are issued to home-based and sole proprietorship businesses, which are excluded from the Census survey that includes only businesses with employees.

**BENSON AREA BUSINESS ESTABLISHMENTS**

INDUSTRY	2005	2006	2007	2008	2009
Accommodation & food services	33	35	34	34	32
Admin, support, waste mgt, remediation services	6	8	8	9	10
Arts, entertainment & recreation	6	6	7	7	7
Construction	25	31	32	30	28
Educational services	2	3	4	5	6
Finance & insurance	5	7	8	7	8
Forestry, fishing, hunting, and agriculture	0	1	1	1	2
Health care and social assistance	25	26	24	23	21
Information	2	2	1	1	1
Management of companies & enterprises	2	2	2	2	2
Manufacturing	5	6	6	6	6
Other services (except public administration)	23	26	27	25	22
Professional, scientific & technical services	6	9	10	13	14
Real estate & rental & leasing	17	16	14	14	12
Retail trade	32	34	35	33	33
Transportation & warehousing	10	8	9	9	10
Unclassified establishments	0	2	0	0	0
Utilities	4	4	3	3	3
Wholesale trade	4	4	6	2	3
<b>TOTAL</b>	<b>207</b>	<b>230</b>	<b>231</b>	<b>224</b>	<b>220</b>

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

**RETAIL OUT-SHOPPING BY BENSON RESIDENTS, 2011**

CATEGORY OF SALES	OUT-SHOPPING
Furniture	69.1%
Jewelry	68.7%
Books	60.4%
Computer hardware/software	59.2%
Music (CDs, tapes, etc.)	58.3%
Appliances	58.0%
Video (DVDs, VHS tapes, etc.)	56.7%
Sporting goods	55.9%
Hobby supplies	52.6%
Children's clothing	50.9%
Electronics	50.5%
Building materials	48.9%
Home Furnishings	46.8%
Women's clothing	44.7%
Men's clothing	44.3%
Auto parts and accessories	43.0%
Hardware	40.8%
Garden supplies	37.2%
Beer, wine, and liquor	37.0%
Gasoline	30.1%
Health and personal care items	24.8%
Groceries	17.5%

Source: Cochise College Center for Economic Research.

**Retail Out-Shopping**

In 2011, the Cochise College Center for Economic Research (CER) conducted a survey of 400 Benson residents to determine their level of retail out-shopping. Out-shopping refers to shopping done by Benson residents at businesses located outside the city. The categories that saw the lowest levels of out-shopping were groceries, health and personal care items, gasoline, and beer, wine, and liquor. The highest levels of out-shopping were for furniture, jewelry, books, computer hardware and software, music (CDs, tapes, etc.), and appliances. High levels of out-shopping provide an indication of unmet demand for retail goods or a lack of competitive pricing within the city, encouraging residents to shop elsewhere. Categories of retail goods with a high level of out-shopping present an opportunity for new businesses to enter the market or for existing businesses to expand. The retail out-shopping survey also revealed that Benson residents conduct an average of 13.8 percent of their retail shopping over the internet and 6.1 percent via catalogs.

**Outlook**

After 4 consecutive years of declining sales, strong performance in Benson's retail market in the closing months of 2011 and opening months of 2012, combined with a generally improving economy, suggest the city will see positive growth in retail sales in 2012 for the first time since the opening of the Wal-Mart Supercenter in 2007. The city's restaurant and bar sales and accommodation receipts, however, continue to trend downward with no sign of improvement as of early 2012, suggesting sales for the year are likely to end in negative territory approaching double-digit declines.



As of early 2012, there were 11 residential developments planned or underway in the Benson area

## Housing, real estate, and commercial construction

### New Residential Construction

As of early 2012, there were 11 residential developments planned or underway in the Benson area. The largest is The Canyons at Whetstone where a total of 660 units will be constructed in three phases. Other large scale developments include San Pedro Golf Estates with 224 units and Kartchner Vistas with 201 units. Combined, the 11 developments will add more than 1,500 homes to the area. Developers have looked to Tucson to the west and Sierra Vista/Fort Huachuca to the south to provide a market for new homes built in the Benson area.

#### PLANNED DEVELOPMENTS IN THE BENSON AREA

SUBDIVISION	UNITS
The Canyons at Whetstone Phases I, II, III	660
San Pedro Golf Estates	224
Kartchner Vistas	201
Cottonwood Highlands	170
Cottonwood Bluffs	100
Water Crest	53
La Cholla Heights	45
House Ridge Estates, Phase I	18
Turquoise Hills	31
Old Homestead	26
La Mesa San Pedro	13
<b>TOTAL</b>	<b>1,541</b>

Developments are in various stages of planning and/or construction. Source: City of Benson.

#### NEW HOME PERMITS (SINGLE FAMILY RESIDENTIAL)

	COCHISE COUNTY		BENSON	
	PERMITS	CHANGE	PERMITS	CHANGE
2002	653	—	3	—
2003	926	41.8%	0	-100.0%
2004	1,046	13.0%	2	—
2005	1,108	5.9%	5	150.0%
2006	900	-18.8%	104	1,980.0%
2007	472	-47.6%	25	-76.0%
2008	404	-14.4%	64	156.0%
2009	380	-5.9%	38	-40.6%
2010	347	-8.7%	32	-15.8%
2011	319	-8.1%	18	-43.8%

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

#### MANUFACTURED HOME PERMITS CITY OF BENSON

YEAR	NUMBER OF PERMITS
2003	14
2004	19
2005	45
2006	43
2007	37
2008	22
2009	10
2010	10
2011	3

Source: City of Benson.

The year 2006 saw the first major step toward build-out of the several planned developments when the city issued 104 new home permits (in the 5 years from 2001 through 2005, the city had issued a combined total of only 12). Since 2006, the numbers of permits issued each year have been unstable but have remained high relative to historical trends from 2005 and earlier.

A total of 319 new home permits were issued countywide in 2011, down 8.1 percent from 347 in 2010. The drop represents the 6th consecutive year of declining new residential construction in Cochise County. The number of new home permits countywide in 2011 was down more than 70 percent from the housing boom peak in 2005. Part of the reason has been surge in foreclosed homes on the market, which are sold at considerably lower prices and pose stiff competition for new home sales.

## Home Sales

In 2011, the number of homes (including site-built, manufactured, and mobile homes, as well as townhouses and condominiums) sold in Benson fell by 13.5 percent. The drop was the 5th consecutive year of decline. Sales volume in 2011 was down nearly 50 percent from the peak in 2004. The median home price was down 15.2 percent from 2010 to 2011. The median price of \$106,000 was at its lowest level since 2005 and was down by more than a third from the peak in 2007. In 2011, the largest share of homes sold in Benson (23.4 percent) were priced between \$19,000 and \$56,000. The average home sold was on the market for 131 days, down from 140 in 2010.

At the county level, home sales were down 3.5 percent in 2011, following 2 years of modest growth. The median home price countywide was down 9.5 percent. From 2004 through 2007, the median home price increased by 39.4 percent; from 2007 through 2011, it dropped by 27.1 percent. The median price of \$142,125 in 2011 was at its lowest level since 2004.

According to the ACCRA Cost of Living Index, published by the Council for Community and Economic Research, housing costs in Cochise County, which include home prices, mortgage rates, and rental rates, were

### EXISTING HOME SALES, COCHISE COUNTY

YEAR	VOLUME	CHANGE IN VOLUME	MEDIAN PRICE	MEDIAN PRICE CHANGE	AVERAGE SALE/ASKING PRICE	AVERAGE PRICE PER SQ FT (HEATED/COOLED)	AVERAGE PRICE PER SQ FT CHANGE (HEATED/COOLED)	AVERAGE DAYS ON MARKET
2004	1,825	—	\$139,900	—	97.3%	\$87.70	—	114
2005	2,097	14.9%	\$173,900	24.3%	98.1%	\$106.89	21.9%	111
2006	1,675	-20.1%	\$192,569	10.7%	97.5%	\$119.78	12.1%	116
2007	1,500	-10.4%	\$195,000	1.3%	96.1%	\$115.68	-3.4%	136
2008	1,184	-21.1%	\$184,000	-5.6%	95.4%	\$109.95	-5.0%	151
2009	1,197	1.1%	\$182,500	-0.8%	95.3%	\$105.44	-4.1%	149
2010	1,247	4.2%	\$157,000	-14.0%	94.1%	\$92.60	-12.2%	145
2011	1,203	-3.5%	\$142,125	-9.5%	94.3%	\$83.05	-10.3%	157

Note: Includes site-built, manufactured, and mobile homes, as well as townhouses and condominiums; includes only those homes listed on the Southeast Arizona Multiple Listing Service and/or the Tucson Area Multiple Listing Service. Source: Southeast Arizona Multiple Listing Service, Tucson Area Multiple Listing Service, and Cochise College Center for Economic Research.

### HOME SALES, BENSON

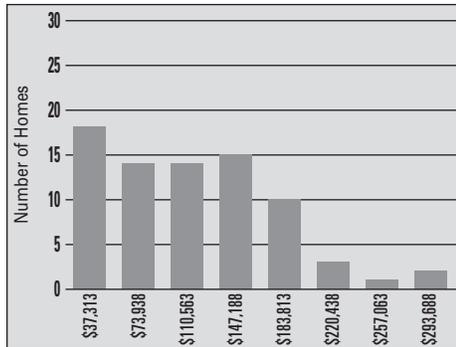
YEAR	SALES VOLUME	CHANGE IN SALES VOLUME	MEDIAN PRICE	MEDIAN PRICE CHANGE	AVERAGE DAYS ON MARKET
2004	152	—	\$82,250	—	113
2005	143	-5.9%	\$100,000	21.6%	67
2006	144	0.7%	\$128,950	29.0%	89
2007	143	-0.7%	\$160,000	24.1%	109
2008	103	-28.0%	\$145,000	-9.4%	128
2009	101	-1.9%	\$155,000	6.9%	108
2010	89	-11.9%	\$125,000	-19.4%	140
2011	77	-13.5%	\$106,000	-15.2%	131

Note: Includes site-built, manufactured, and mobile homes, as well as townhouses and condominiums; includes only those homes listed on the Southeast Arizona Multiple Listing Service and/or the Tucson Area Multiple Listing Service. Source: Southeast Arizona Multiple Listing Service, Tucson Area Multiple Listing Service, and Cochise College Center for Economic Research.

5.4 percent below the national average in 2007. This rose to 3.1 percent above the national average in 2008 and 4.1 percent above in 2009. The trend reversed with local costs falling to 0.6 percent below the national average in 2010 and 0.4 percent below in 2011.

Part of the reason for the price declines has been an increasing number of foreclosed homes on the market, which are sold at lower prices. In 2011, 30 percent of all homes sold in Cochise County were foreclosures, up from 26.3 percent in 2010 and 15 percent in 2009. In Benson, foreclosed homes accounted for 53.2 percent of all sales in 2011, up from 46.1 percent in 2010.

### BENSON HOME SALES, 2011



Note: Includes site-built, manufactured, and mobile homes, as well as townhouses and condominiums; includes only those homes listed on the Southeast Arizona Multiple Listing Service and/or the Tucson Area Multiple Listing Service. Prices shown are midpoint prices; each bin represents a price range of \$36,625 (+/- \$18,313 from midpoint price shown). Source: Southeast Arizona Multiple Listing Service, Tucson Area Multiple Listing Service, and Cochise College Center for Economic Research.

### BENSON DISTRIBUTION OF HOME PRICES, 2011

MINIMUM PRICE	MAXIMUM PRICE	MIDPOINT PRICE	NUMBER OF HOMES	PERCENT OF TOTAL HOMES
\$19,000	\$55,625	\$37,313	18	23.4%
\$55,625	\$92,250	\$73,938	14	18.2%
\$92,250	\$128,875	\$110,563	14	18.2%
\$128,875	\$165,500	\$147,188	15	19.5%
\$165,500	\$202,125	\$183,813	10	13.0%
\$202,125	\$238,750	\$220,438	3	3.9%
\$238,750	\$275,375	\$257,063	1	1.3%
\$275,375	\$312,000	\$293,688	2	2.6%

Note: Includes site-built, manufactured, and mobile homes, as well as townhouses and condominiums; includes only those homes listed on the Southeast Arizona Multiple Listing Service and/or the Tucson Area Multiple Listing Service. Source: Southeast Arizona Multiple Listing Service, Tucson Area Multiple Listing Service, and Cochise College Center for Economic Research.

## Housing Affordability

According to the U.S. Census Bureau, the homeownership rate in Benson, based on sample data from 2006 to 2010, was 70.8 percent. One of the primary influences on homeownership rates is affordability. The Housing Affordability Index (HAI) gauges whether a family with the area's median income would qualify for a mortgage on a median-priced home. The HAI for Benson in 2011 was 235.7, its highest level on record with records going back to 2004. This means that, in 2011, homes in Benson were the most affordable they have been in recent years.

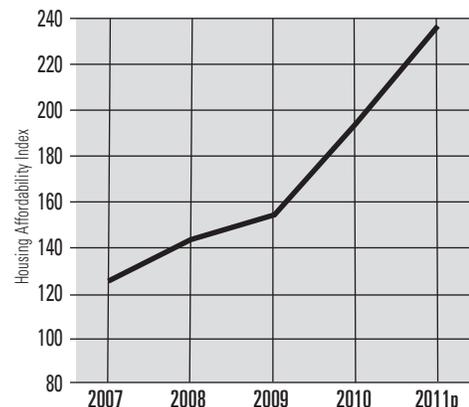
In interpreting the HAI, a value of 100 indicates a family with the median income has exactly enough income to qualify for a mortgage on a median-priced home, assuming a 20 percent down payment and a qualifying income ratio of 25 percent (i.e., the monthly principal and interest payment cannot exceed 25

### BENSON HOUSING AFFORDABILITY INDEX (HAI)

YEAR	ESTIMATED MEDIAN FAMILY INCOME	MEDIAN HOME PRICE	AMOUNT FINANCED	EFFECTIVE INTEREST RATE	MONTHLY PRINCIPAL AND INTEREST PAYMENT	HAI
2006	\$45,885	\$128,950	\$103,160	6.63%	\$661	144.6
2007	\$47,471	\$160,000	\$128,000	6.24%	\$787	125.7
2008	\$49,058	\$145,000	\$116,000	6.18%	\$709	144.2
2009	\$50,645	\$155,000	\$124,000	5.18%	\$679	155.4
2010	\$49,561	\$125,000	\$100,000	4.93%	\$533	193.7
2011p	\$50,568	\$106,000	\$84,800	4.84%	\$447	235.7

p = preliminary. Note: Based on the median home price for residential homes (site built, manufactured homes, mobile homes, townhouses, and condominiums) in Benson sold on Southeast Arizona Multiple Listing Service and/or Tucson Area Multiple Listing Service. Presumes a 30-year conventional fixed-rate mortgage, a 20 percent down payment, and a 25 percent qualifying income ratio (principal and interest only). Source: Cochise College Center for Economic Research.

### BENSON HOUSING AFFORDABILITY INDEX

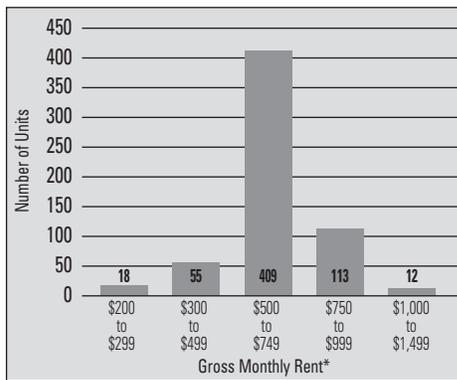


p = preliminary. Note: Based on the median home price for residential homes (site built, manufactured homes, mobile homes, townhouses, and condominiums) in Benson sold on Southeast Arizona Multiple Listing Service and/or Tucson Area Multiple Listing Service. Presumes a 30-year conventional fixed-rate mortgage, a 20 percent down payment, and a 25 percent qualifying income ratio (principal and interest only). Source: Cochise College Center for Economic Research.

percent of the family’s 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 235.7 indicates that a family with the median income had 235.7 percent of the income necessary to qualify for a conventional loan covering 80 percent of a median-priced, single-family home. In 2011, the estimated median family income for Benson was \$50,568 and the median home price was \$106,000 (includes site-built, manufactured, and mobile homes, and townhouses and condominiums). The HAI considers the average effective interest rate (contract rate plus fees) on a fixed, 30-year conventional mortgage over the 12-month period as reported by the Federal Housing Finance Agency (4.84 percent in 2011).

## Rental Market

### BENSON RENTAL UNITS



\*Gross rent includes contract rent plus utilities. Note: Includes occupied rental units only; figures expressed in 2010 dollars. Source: U.S. Census Bureau, 2006-2010 American Community Survey 5-Year Estimates; and Cochise College Center for Economic Research.

From 2006 to 2010, 29.2 percent of occupied housing units in Benson were renter-occupied, according to the U.S. Census Bureau. The rental vacancy rate was 11.8 percent. The largest number of occupied rental units in Benson from 2006 to 2010 rented between \$500 and \$749 per month (rent plus utilities), accounting for 67.4 percent of all rentals. Units renting for \$750 to \$999 accounted for 18.9 percent. About 45.3 percent of renters in Benson from 2006 to 2010 paid 30 percent of their income or more for rental expenses (rent plus utilities) suggesting a considerable demand for affordable rental housing in the city. Thirty percent of gross income is a common threshold above which housing costs are considered to be not affordable.

## Commercial Construction

The years 2006 and 2007 saw a commercial construction boom in Benson with more than \$16 million in new investment. This was led by the Wal-Mart Supercenter, which opened in November 2006. Since then, new commercial construction has slowed considerably. In 2010 there were no permits issued for new commercial construction in the city and in 2011 there was one valued at \$500,000.

## Outlook

A wave of foreclosed homes offered at lower prices will continue to dampen demand for new home construction in Benson and countywide through 2012 and 2013. Foreclosure sales will place upward pressure on sales volume for existing homes, but place continued downward pressure on prices. As of early 2012, the pace of foreclosures entering the market continued to increase, suggesting these sales will continue to dominate the local sales market during the year.

Despite the slowdown, new home construction in Benson will remain well above historic levels, although year-to-year figures will see continued instability until the national and state economies are on firm footing toward recovery. Benson has long been eyed by developers for large-scale master planned communities due to its geographical location roughly halfway between Sierra Vista/Fort Huachuca to the south and Tucson to the west. The large number of entitlements resulting from rezoning in the 1990s will continue to make the location attractive to developers. The area’s climate and proximity to services will continue to lure new residents.

With no new large-scale projects on the immediate horizon, commercial construction in Benson is likely to remain low in 2012 and into 2013. However, several commercial developers have expressed interest in the area and there is likely to be another wave of commercial development in the city once the economy is on a firm path of recovery. As residential development in the area continues to grow, commercial development is likely to continue to follow.

### COMMERCIAL BUILDING PERMITS (NEW CONSTRUCTION), CITY OF BENSON

YEAR	NUMBER OF PERMITS	TOTAL VALUATION
2006	8	\$12,810,643
2007	6	\$3,432,642
2008	2	\$908,706
2009	4	\$399,700
2010	0	\$0
2011	1	\$500,000

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



National Bank of Arizona

## Banking and bankruptcy filings

### Banking

Benson is served by two banks: National Bank of Arizona and Bank of America. Bank deposits in Benson in 2011 totaled \$82.4 million, down 4.6 percent from 2010. Deposits at the county level were up 1.9 percent in 2011. Bank deposits in Benson in 2011 accounted for 8 percent of total deposits in the Cochise County market, down from 8.5 percent in 2010 and 8.9 percent in 2009. The year 2009 saw a 22.8 percent decline in deposits at the county level due primarily to a surge in deposits to Bank of America the year prior as a result of its acquisition of Countrywide Financial, LaSalle Bank, and Merrill Lynch. The acquisitions initially resulted in funds being redirected to the local Bank of America offices, driving up deposits in 2008. Deposits then returned to normal levels in 2009.

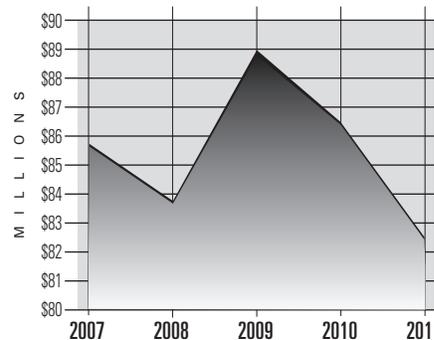
*(Note: Bank deposit data include only those deposits made to commercial banks. They do not include deposits to credit unions or other financial institutions. Annual deposits include those made each year in the 12 month period ending June 30.)*

#### BANK DEPOSITS

YEAR	BENSON		COCHISE COUNTY	
	AMOUNT	CHANGE	AMOUNT	CHANGE
2007	\$85,589,000	1.7%	\$1,033,740,000	0.8%
2008	\$83,635,000	-2.3%	\$1,295,970,000	25.4%
2009	\$88,687,000	6.0%	\$1,000,155,000	-22.8%
2010	\$86,355,000	-2.6%	\$1,014,793,000	1.5%
2011	\$82,402,000	-4.6%	\$1,034,039,000	1.9%

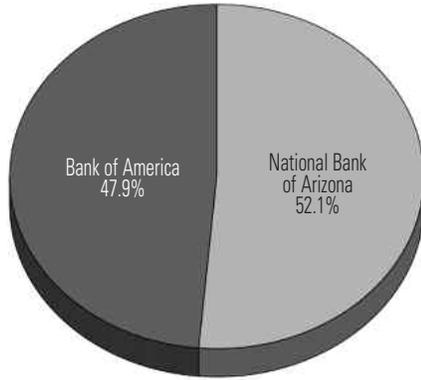
Note: Data reflect total deposits in the 12 months ended June 30 each year. Source: Federal Deposit Insurance Corporation and Cochise College Center for Economic Research.

#### BENSON BANK DEPOSITS



Note: Data reflect total deposits in the 12 months ended June 30 each year. Source: Federal Deposit Insurance Corporation and Cochise College Center for Economic Research.

**BENSON BANK DEPOSITS, MARKET SHARE (CITY), 2011**



Note: Data reflect total deposits in the 12 months ended June 30 each year. Source: Federal Deposit Insurance Corporation and Cochise College Center for Economic Research.

**BENSON BANK DEPOSITS, SHARE OF COCHISE COUNTY MARKET**

YEAR	SHARE OF COCHISE COUNTY MARKET
2007	8.3%
2008	6.5%
2009	8.9%
2010	8.5%
2011	8.0%

Note: Data reflect total deposits in the 12 months ended June 30 each year. Source: Federal Deposit Insurance Corporation and Cochise College Center for Economic Research.

**Bankruptcy Filings**

In 2010, there were 355 total bankruptcies (all chapters) filed from within Cochise County, up 4.7 percent from 2009. This followed increases of 42.9, 30, and 44.9 percent in 2007, 2008, and 2009, respectively. Adjusting for population size, Cochise County’s bankruptcy rate in 2010 increased to 2.7 bankruptcies per 1,000 residents, up from 2.6 in 2009. Sharp increases in bankruptcy filings in Cochise County from 2007 through 2009 followed a decline of 79.7 percent in 2006.

Despite increases in recent years, bankruptcy filings per 1,000 residents in 2010 remained below historic (pre-2006) levels at the national, state, and local levels. The decline in 2006, which pushed bankruptcies to historic lows, was due primarily to the implementation of the Bankruptcy Abuse Prevention and Consumer Protection Act, which took effect in October 2005. The act requires most individual debtors to complete a special briefing from an approved credit counseling agency before filing for bankruptcy. The increases from 2007 through 2009, in addition to the worsening economic conditions caused by the national recession, likely reflect a societal adjustment to the credit counseling requirements of the 2005 legislation. The year 2006 was the first full year the new requirements were in place, leading to the dramatic drop in filings that year.

In 2010, bankruptcy filings at the county level remained considerably below those at the state and national levels. Cochise County’s bankruptcy rate in 2010 was 59.7 percent below the state level and 47.7 percent below the national level, reflecting a relatively healthy environment for lending and borrowing in Cochise County.

**COCHISE COUNTY BANKRUPTCY FILINGS**

YEAR	POPULATION	TOTAL FILINGS	FILINGS PER 1,000 POP.
2006	128,623	126	0.98
2007	129,522	180	1.39
2008	130,567	234	1.79
2009	130,296	339	2.60
2010	131,346	355	2.70

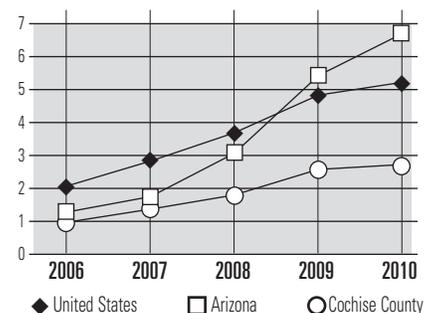
Source: US Bankruptcy Court - District of Arizona; U.S. Census Bureau; Arizona Office of Employment and Population Statistics; and Cochise College Center for Economic Research.

**BANKRUPTCY FILINGS (PER 1,000 RESIDENTS)**

YEAR	COCHISE COUNTY	ARIZONA	UNITED STATES
2006	0.98	1.27	2.07
2007	1.39	1.74	2.82
2008	1.79	3.07	3.67
2009	2.60	5.42	4.80
2010	2.70	6.70	5.16

Source: US Bankruptcy Court - District of Arizona; U.S. Census Bureau; Arizona Office of Employment and Population Statistics; and Cochise College Center for Economic Research.

**BANKRUPTCY FILINGS (PER 1,000 RESIDENTS)**



Source: US Bankruptcy Court - District of Arizona; U.S. Census Bureau; Arizona Office of Employment and Population Statistics; and Cochise College Center for Economic Research.



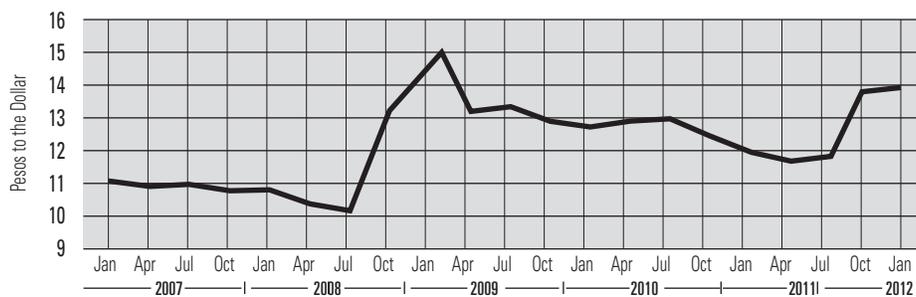
The Douglas Port of Entry

## Mexico

### Overview

Cochise County's economy is significantly impacted by Mexico. The 82-mile border between Cochise County and Sonora, Mexico serves as a crossover point for millions of visitors from Mexico each year—from day shoppers, workers, and commercial traffic crossing legally at the designated ports of entry at Naco and Douglas, to drug and illegal alien smugglers who cross illegally. Focus group discussions in Benson indicate the city sees relatively little traffic from illegal crossers but hosts a considerable number of shoppers indicated by a large share of vehicles with license plates from Sonora, Mexico parked daily at the city's retail outlets. Trends are impacted by exchange rates: A strong peso makes U.S. goods and services less expensive for Mexican visitors encouraging shopping in the United States while a weak peso makes U.S. goods and services more expensive. The peso weakened against the dollar from the first half of 2011 through the first quarter of 2012. Inflation rates, which have traditionally been higher in Mexico, also influence cross-border commerce. As prices rise in Mexico, relative to those in the United States, this encourages shopping in the United States.

**EXCHANGE RATE: MEXICAN PESO TO U.S. DOLLAR**



Note: As of the last business trading day of each month. Rates vary daily. Source: International Monetary Fund and Cochise College Center for Economic Research.

**INFLATION RATE, CONSUMER PRICES**

	MEXICO	UNITED STATES
2007	4.0%	2.8%
2008	5.1%	3.8%
2009	5.3%	-0.4%
2010	4.2%	1.6%
2011	3.6%	3.2%

Source: International Monetary Fund and U.S. Bureau of Labor Statistics.

**REPRESENTATIVE EXCHANGE RATES: MEXICAN PESO TO U.S. DOLLAR**

2010	January	13.0098
	February	12.7769
	March	12.4145
	April	12.3698
	May	12.8589
	June	12.8441
	July	12.7038
	August	13.1676
	September	12.5998
	October	12.3387
	November	12.5538
	December	12.3817
2011	January	12.1519
	February	12.1062
	March	11.9084
	April	11.5868
	May	11.5780
	June	11.7230
	July	11.7425
	August	12.3480
	September	13.7994
	October	13.1802
	November	13.6100
	December	13.9787
2012	January	13.0077
	February	12.7891
	March	12.8093

Note: As of the last business day of each month. Rates vary daily. Source: International Monetary Fund.

**Naco, Sonora**

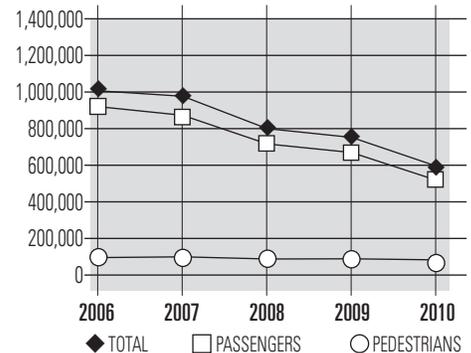
The town of Naco, Sonora, Mexico shares a border with Naco, Arizona, an unincorporated area of Cochise County approximately 55 miles southeast of Benson. The population of Naco, Sonora as of 2005 was 6,010, according to Mexico’s Instituto Nacional de Estadística y Geografía (INEGI). The population of Naco, Arizona as of Census 2010 was 1,046. The Naco Port of Entry (POE) is open 24 hours a day, 7 days a week for vehicle and pedestrian traffic. With thousands of crossings each day, the Naco POE serves as a gateway to Cochise County’s retail shopping outlets. A 2007-2008 study by the University of Arizona indicated 80.1 percent of Mexican residents entering the United States through Naco did so for the purpose of shopping—the second highest of all ports in Arizona behind Douglas, also located in Cochise County. In recent years, numbers of vehicles, passengers, and pedestrians through Naco have been on the decline.

**US-MEXICO BORDER CROSSINGS, NACO PORT**

	VEHICLES		PASSENGERS		PEDESTRIANS		(PASSENGERS & PEDESTRIANS) TOTAL	
	CROSSINGS	% CHANGE	CROSSINGS	% CHANGE	CROSSINGS	% CHANGE	CROSSINGS	% CHANGE
2006	321,357	0.3%	915,501	-19.2%	90,020	-9.9%	1,005,521	-18.5%
2007	323,422	0.6%	866,682	-5.3%	97,729	8.6%	964,411	-4.1%
2008	266,225	-17.7%	708,382	-18.3%	89,174	-8.8%	797,556	-17.3%
2009	278,960	4.8%	663,231	-6.4%	81,815	-8.3%	745,046	-6.6%
2010	262,809	-5.8%	516,889	-22.1%	78,748	-3.7%	595,637	-20.1%
2011*	176,124	-10.1%	344,209	-9.7%	58,658	3.6%	402,867	-8.0%

\*January-September only; comparisons to same period 1 year prior. Note: Includes only those crossing from Mexico into the United States. Source: U.S. Customs and Border Protection.

**US-MEXICO BORDER CROSSINGS: NACO, AZ**



Note: Includes only those crossing from Mexico into the United States. Source: U.S. Customs and Border Protection.

## Agua Prieta, Sonora

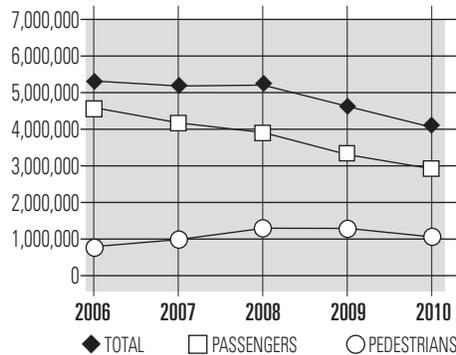
Douglas, Arizona shares a border with Agua Prieta, Sonora, Mexico, approximately 75 miles southeast of Benson. The population of Agua Prieta as of 2005 was 70,303, according to Mexico's Instituto Nacional de Estadística y Geografía (INEGI). Since the early 1990s, Agua Prieta has seen a considerable increase in maquiladoras (twin factories with a presence on both sides of the border that manufacture and assemble products for export). Major industrial employers in Agua Prieta include Levolor Kirsh, Commercial Vehicle Group, Takata, Velcro USA, Standex International, and Alstyle Apparel & Activewear, which built a 700,000 square-foot manufacturing facility in 2011 that will employ 3,000 workers. The Douglas Port of Entry (POE) is open 24 hours a day, 7 days a week for vehicle and pedestrian traffic. With thousands of crossings each day, Douglas hosts many foreign shoppers, workers, and other visitors. A 2007-2008 University of Arizona study indicated 81.6 percent of Mexican residents entering through Douglas did so for the purpose of shopping—the highest of all ports in Arizona. In recent years, numbers of vehicles, passengers, and pedestrians through Douglas have been on the decline.

### US-MEXICO BORDER CROSSINGS, DOUGLAS PORT

	VEHICLES		PASSENGERS		PEDESTRIANS		(PASSENGERS & PEDESTRIANS) TOTAL	
	CROSSINGS	% CHANGE	CROSSINGS	% CHANGE	CROSSINGS	% CHANGE	CROSSINGS	% CHANGE
2006	1,983,618	-7.2%	4,557,279	-3.6%	760,211	6.7%	5,317,490	-2.3%
2007	1,776,456	-10.4%	4,155,386	-8.8%	1,014,174	33.4%	5,169,560	-2.8%
2008	1,711,176	-3.7%	3,921,971	-5.6%	1,289,903	27.2%	5,211,874	0.8%
2009	1,514,446	-11.5%	3,323,084	-15.3%	1,294,459	0.4%	4,617,543	-11.4%
2010	1,431,813	-5.5%	2,933,057	-11.7%	1,096,084	-15.3%	4,029,141	-12.7%
2011*	1,047,120	-3.1%	1,996,622	-11.2%	788,684	-5.5%	2,785,306	-9.7%

\*January-September only; comparisons to same period 1 year prior. Note: Includes only those crossing from Mexico into the United States.  
Source: U.S. Customs and Border Protection.

### US-MEXICO BORDER CROSSINGS: DOUGLAS, AZ



Note: Includes only those crossing from Mexico into the United States.  
Source: U.S. Customs and Border Protection.

### DOUGLAS INTERNATIONAL PORT AUTHORITY

The Douglas International Port Authority is led by private and public sector executives from the area's trade/logistics business service sector, cross-border manufacturing, agribusiness industries, and community and economic development. Their primary mission is to promote trade and commerce with a focus on the expansion and further development of the Douglas Port of Entry, the second largest commercial port in Arizona with more than \$1 billion in trade conducted each year. The port is scheduled for expansion between 2013 and 2016.

## Economic Impact of Mexican Visitors

A 2007-2008 study by the University of Arizona found that Mexican visitors to Cochise County accounted for 5.3 percent of countywide taxable sales. Mexican visitors spent an annual \$186.4 million with 55 percent of that occurring in retail stores, 24.1 percent in grocery stores, and 7.3 percent in restaurants. Accounting for indirect and induced impacts, Mexican visitors were responsible for \$211.8 million in sales, 1,763 jobs, and \$36.5 million in income countywide. Statewide, direct expenditures by Mexican visitors crossing through Douglas totaled \$466.4 million. Each party entering through Douglas spent an average of \$253 while in Arizona, according to the study. At the Naco POE, direct expenditures statewide totaled \$98.4 million. Each party entering through Naco spent an average of \$277 while in Arizona. Although statewide direct expenditures totaled \$564.8 million for both ports, only \$186.4 million, or about one-third, was spent within Cochise County, with more than two-thirds of that spent in Douglas.

Accounting for indirect and induced impacts, Mexican visitors were responsible for \$211.8 million in sales, 1,763 jobs, and \$36.5 million in income countywide.

## U.S. Travelers to Mexico

In addition to visitors from Mexico, the Douglas and Naco ports also serve as crossover points for more than 2 million U.S. visitors traveling to Mexico each year. As of 2009, most U.S. citizens entering the United States from Mexico must now have a passport, passport card, or other travel document approved by the U.S. Department of Homeland Security for reentry (visit [www.GetYouHome.gov](http://www.GetYouHome.gov) for more information on current travel requirements). This has likely led to a decline in U.S. crossers between the United States and Mexico in recent years. Another factor potentially contributing to a decline is concern over violence resulting from clashes between drug cartels and Mexican government officials in some Mexican border towns. Numbers of drug and gang-related killings throughout Mexico have increased considerably in recent years. Violence has been much more prevalent in Mexican cities sharing borders with Texas and California (particularly Ciudad Juarez and Tijuana, respectively) than in those bordering Arizona. However, Nogales, Sonora, which shares a border with neighboring Santa Cruz County, Arizona, is specifically mentioned in the U.S. State Department's April 2011 travel warning for Mexico, which notes travelers should exercise caution in the city. Neither Agua Prieta nor Naco, which share a border with Cochise County, was specifically referenced in the State Department's travel warnings as of early 2012.



The resident population of Fort Huachuca (those actually residing on post) was approximately 7,084 as of January 2012  
Photo: Fort Huachuca Public Affairs Office

## Fort Huachuca

### Overview

Fort Huachuca is an active U.S. Army installation located approximately 30 miles south of Benson. The fort hosts the Army's Command, Control, Communications, Computers, Cyber, Intelligence, Surveillance and Reconnaissance (C5ISR) Center of Excellence and provides critical resources, infrastructure, and services to 54 unique tenants and missions with national-level requirements, including three of the fastest-growing missions in the Department of Defense: unmanned aircraft systems (UAS) training and operations, military intelligence, and cyber-security. The main and auxiliary installation properties cover 100,539 acres and the fort manages 962 square miles of restricted air space and 2,575 square miles of electronic ranges outside installation boundaries. The fort maintains, operates, or oversees more than 5.5 million square feet of operational facilities, 1,200 family housing units, three remote airstrips, and three accommodation schools. Libby Army Airfield with its 12,001 foot concrete runway is the Army's sixth busiest continental U.S. airfield with more than 350 days of good flying weather per year and more than 159,000 manned and unmanned air operations in fiscal year 2010. The UAS and Intelligence Centers of Excellence trained approximately 13,300 military and civilian personnel on site and approximately 87,100 additional personnel worldwide in federal fiscal year 2011.

As of September 2011, approximately 2,800 active duty military personnel, along with their family members, were assigned to the fort, with an additional 82 deployed from the fort to other locations worldwide. There are also approximately 3,000 military trainees (students) temporarily assigned to the fort for training on any given day. The resident population of Fort Huachuca (those actually residing on post) was approximately 7,084 as of January 2012, which included 1,079 military personnel and 2,805 military family members residing in on-post family housing, along with 3,200 unmarried or unaccompanied military personnel residing in troop billets, including students assigned temporarily to the fort for training. Many military personnel and their families also reside in surrounding communities including Benson. The number of housing units on post is projected to decline from approximately 1,200 in 2010 to 1,064 in 2014. This will result from the demolition of older housing units and the construction of fewer units to replace them, which may lead to an increased demand for off-post housing in surrounding communities. Housing communities

on post are constructed by private-sector firms as part of the Army's privatization efforts under its Residential Communities Initiative.

## **Economic Impact**

### **COCHISE COUNTY'S TOP EMPLOYER**

In 2011, Fort Huachuca remained Cochise County's largest employer according to the Cochise College Center for Economic Research's (CER's) annual Top 75 Employer Survey. Fort Huachuca has been the largest employer every year since the CER began conducting the survey in 1999. In 2011, the fort employed 9,039 fulltime equivalent (FTE) employees, which included active duty military personnel permanently assigned to the fort, Department of the Army civilian employees, part-time civilian employees directly employed by the fort, and military students temporarily assigned to the fort for training. An FTE employee is equal to one fulltime or two part-time employees; for students temporarily assigned to the fort, the average number at any given time are counted as FTE employees. Not included in the fort's numbers are workers who report to work on Fort Huachuca but are not employed directly by the fort. These include employees of defense contracting firms, Fort Huachuca Accommodation Schools (although located on Fort Huachuca, these are Arizona public schools that fall under the Arizona Department of Education), AAFES Post Exchange (PX), U.S. Post Office, colleges and universities, and concessionaires located on post.

### **THE MAGUIRE REPORT**

In 2008, the Maguire Company released its *Economic Impact of Arizona's Principal Military Operations* report. The report estimated the direct, indirect, and induced impact of Fort Huachuca on Cochise County at \$2.4 billion annually, nearly 42 percent of which was attributable to indirect and induced economic activity in the county's retail trade and services industries. The employment impact was estimated at 26,921 jobs countywide, which include the fort's direct employees, as well as those employed due to government contracts and spending by the fort and its employees. The report also estimated the fort generated \$23.2 million per year in local sales tax and \$17.3 million in local property tax.

For more information on Fort Huachuca, visit [www.army.mil/huachuca](http://www.army.mil/huachuca).



Agriculture is a significant part of the Cochise County economy

## Cochise County agriculture

### Overview

Agriculture is a significant part of the Cochise County economy. As of 2007, top crop items are forage land, corn, pecans, and harvested vegetables. Top livestock are cattle and calves (mostly beef cows), layers, horses and ponies, goats, and bee colonies. Between 2002 and 2007, the number of farms in Cochise County grew by 115, or 12.1 percent, from 950 to 1,065. This was mostly the result of deconsolidation of farmland evidenced by the decline in total farm acreage from 970,000 to 825,000, despite growth in the number of farms. Cochise County saw an increase in the number of farms of all size classes except 1,000 acres or more, which stabilized. Most of the growth occurred in smaller farms, particularly those 179 acres or smaller. The number of farms with annual sales valuing less than \$2,500 grew by 35 percent from 363 to 490, while those with sales of \$100,000 or more declined by 10 percent from 120 to 108. The market value of agricultural products sold grew by nearly 50 percent from \$78.3 to \$117.1 million between 2002 and 2007. Crops accounted for 63 percent of total sales in 2007 (down from 71.2 percent in 2002). The market value of crops in 2007 was \$74.4 million, up 33.4 percent from 2002. The market value of livestock increased 89.5 percent from \$22.6 to \$42.8 million.

### Agritourism

Cochise County offers numerous agritourism opportunities, particularly in the Sulphur Springs Valley area, including U-PICK Farms, wineries, and farmers markets. Annual agritourism events in Cochise County include the Willcox Wine Country Fall Festival and Vintage Bisbee, which features local wines. Wineries/vineyards in Cochise County include Coronado Vineyards, Keeling-Schaefer Vineyards, and Lawrence Dunham Vineyards. For more information, visit [www.explorecochise.com](http://www.explorecochise.com) or [www.willcoxchamber.com](http://www.willcoxchamber.com).

## ST. DAVID FARMERS MARKET

The St. David Farmers Market is held Saturday mornings from May through October at the St. David Unified School District campus. The market offers homegrown, organic, and heirloom fruits and vegetables; fruit preserves; honey; baked goods; farm fresh organic eggs; handmade soaps, lotions, bath salts, and herbal balm; handcrafted birdhouses designed to attract native species; jewelry; handcrafts; mixes for breads, cakes, cookies; and homemade tamales and BBQ. The market includes a petting goat pen, playground, and live music.

For more information, email [stdavidfarmersmarket@yahoo.com](mailto:stdavidfarmersmarket@yahoo.com).

## COCHISE COUNTY AGRICULTURE

	2007	2002	CHANGE	% CHANGE
Farms (number)	1,065	950	115	12.1%
Land in farms (acres)	824,226	969,253	-145,027	-15.0%
Land in farms - Average size of farm (acres)	774	1,020	-246	-24.1%
Estimated market value of land and buildings - Average per farm (dollars)	\$1,475,858	\$704,895	770,963	109.4%
Estimated market value of land and buildings - Average per acre (dollars)	\$1,907	\$631	1,276	202.2%
Estimated market value of all machinery and equipment - Average per farm (dollars)	\$77,792	\$53,260	24,532	46.1%
Farms by size - 1 to 9 acres	122	110	12	10.9%
Farms by size - 10 to 49 acres	252	211	41	19.4%
Farms by size - 50 to 179 acres	285	227	58	25.6%
Farms by size - 180 to 499 acres	149	147	2	1.4%
Farms by size - 500 to 999 acres	76	74	2	2.7%
Farms by size - 1,000 acres or more	181	181	0	0.0%
Total cropland (farms)	496	557	-61	-11.0%
Total cropland (acres)	141,156	131,382	9,774	7.4%
Irrigated land (farms)	368	460	-92	-20.0%
Irrigated land (acres)	67,598	64,593	3,005	4.7%
Market value of agricultural products sold (\$1,000)	\$117,130	\$78,307	38,823	49.6%
Market value of agricultural products sold - Average per farm (dollars)	\$109,981	\$82,429	27,552	33.4%
Market value of agricultural products sold - Crops (\$1,000)	\$74,358	\$55,737	18,621	33.4%
Market value of agricultural products sold - Livestock, poultry, and their products (\$1,000)	\$42,771	\$22,570	20,201	89.5%
Farms by value of sales - Less than \$2,500	490	363	127	35.0%
Farms by value of sales - \$2,500 to \$4,999	119	97	22	22.7%
Farms by value of sales - \$5,000 to \$9,999	91	118	-27	-22.9%
Farms by value of sales - \$10,000 to \$24,999	120	111	9	8.1%
Farms by value of sales - \$25,000 to \$49,999	87	82	5	6.1%
Farms by value of sales - \$50,000 to \$99,999	50	59	-9	-15.3%
Farms by value of sales - \$100,000 or more	108	120	-12	-10.0%

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



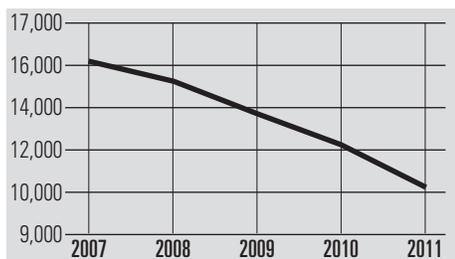
Bluegrass Festival • Photo: Benson Visitor Center

## Tourism

### Overview

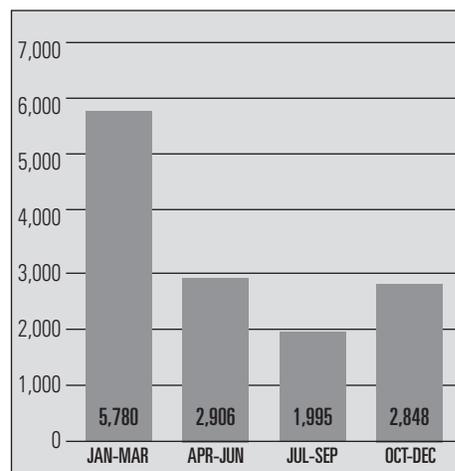
Tourism is an important component of the economy of Benson and Cochise County. As an export-oriented industry, it brings dollars to the local area from other regions generating sales, jobs, income, and tax revenue. Tourism to Benson, as measured by visits to the Benson Visitor Center, declined considerably from 2007 through 2011 during the nationwide recession and slow recovery. The city continues to place emphasis on tourism as part of its economic development strategy and is an active partner in the Cochise County Tourism Council whose marketing efforts promote Cochise County as a region.

**BENSON VISITOR CENTER  
VISITOR COUNTS**



Source: Benson Visitor Center and Cochise College Center for Economic Research.

**BENSON VISITOR CENTER, VISITOR  
COUNTS, AVERAGE BY QUARTER**



Based on data from 2007-2011. Source: Benson Visitor Center and Cochise College Center for Economic Research.

### BENSON VISITOR CENTER, VISITOR COUNTS

	1ST QTR	CHANGE	2ND QTR	CHANGE	3RD QTR	CHANGE	4TH QTR	CHANGE	ANNUAL	CHANGE
2007	6,235	0.7%	3,515	8.5%	2,487	22.6%	3,914	20.4%	16,151	9.8%
2008	6,695	7.4%	3,447	-1.9%	2,231	-10.3%	2,887	-26.2%	15,260	-5.5%
2009	6,150	-8.1%	3,018	-12.4%	1,862	-16.5%	2,691	-6.8%	13,721	-10.1%
2010	5,524	-10.2%	2,390	-20.8%	1,745	-6.3%	2,576	-4.3%	12,235	-10.8%
2011	4,294	-22.3%	2,161	-9.6%	1,651	-5.4%	2,174	-15.6%	10,280	-16.0%

Source: Benson Visitor Center and Cochise College Center for Economic Research.

## Attractions and Activities

### BENSON'S RAILROAD HERITAGE AND VISITOR CENTER

In the late 1800s and early 1900s, Benson was the railroad hub of Southern Arizona—an image that characterizes the city's culture today. 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. For more information, visit [www.bensonvisitorcenter.com](http://www.bensonvisitorcenter.com).

### KARTCHNER CAVERNS

Kartchner Caverns State Park is located on 550 acres at the foothills of the Whetstone Mountains along State Route 90. 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 including shields, totems, helictites, and rimstone dams. Geologists at the 2009 International Conference on Speleology declared Kartchner Caverns State Park the world leader in management of a living cave. The park also offers picnicking, camping, and hiking. According to a study conducted by Northern Arizona University, Kartchner Caverns was responsible for \$9.6 million in direct expenditures in Cochise County in 2007. This resulted in a total (direct, indirect, and induced) impact of \$12.3 million, 188 jobs, and nearly \$1 million in state and local government tax revenue. Of Arizona's state parks, Kartchner Caverns has been the largest revenue generator in recent years. For more information, visit <http://azstateparks.com/Parks/KACA>.

### THE AMERIND FOUNDATION

The Amerind Foundation is an anthropological and archaeological museum and research center located 12 miles east of Benson and is dedicated to the preservation and interpretation of Native American cultures and histories from Alaska to South America and from the last Ice Age to the present. The foundation hosts numerous special events and openings. Archaeological and ethnographic collections, a research library, and archives are available for research. For more information, visit [www.amerind.org](http://www.amerind.org).

### COCHISE STRONGHOLD.

Cochise Stronghold is a historic site located in the Coronado National Forest where famed Chiricahua Apache Chief Cochise and his followers held out against the U.S. Cavalry in the 1860s. The site is a popular day trip from Benson. For more information, visit [www.cochisestronghold.com](http://www.cochisestronghold.com).

### GAMMONS GULCH GHOST TOWN MOVIE SET

Gammons Gulch Ghost Town Movie Set is located north of Benson and has a collection of antiques, old cars, and movie memorabilia. The film location offers tours and has been a destination for RV clubs who stay in resorts in Benson. For more information, visit [www.gammonsgulch.com](http://www.gammonsgulch.com).

### HOLY TRINITY MONASTERY.

The Holy Trinity Monastery is located 9 miles south of Benson on State Route 80 in St. David. The monastery holds seasonal festivals that attract hundreds of visitors, and features a bookstore, library, oriental garden, museum, art gallery, and bird sanctuary. For more information, visit [www.holytrinitymonastery.org](http://www.holytrinitymonastery.org).

## BENSON MUSEUM

The Benson Museum is housed in a 1920s store building with displays celebrating local history, including old maps, dental tools, mining tools, household goods, furnishings from the Arnold Hotel, a horse-drawn school bus from Benson High School, and artifacts from cattle and mining history. The museum is also home to the Art and Quilting Gallery offering quilts on display and for sale from local quilters. For more information, visit [www.bensonmuseum.com](http://www.bensonmuseum.com).

## SAN PEDRO RIPARIAN NATIONAL CONSERVATION AREA

The San Pedro Riparian National Conservation Area extends from St. David just south of Benson to Naco, Mexico. The conservation area is nearly 57,000 acres and has 40 miles of river bank. With over 250 prehistoric and historic sites, the area offers birding and other wildlife viewing, photography, hiking, camping, seasonal hunting, horseback riding, nature studies, and environmental education. For more information, visit [www.blm.gov](http://www.blm.gov).

## NEARBY ATTRACTIONS

Benson and Cochise County are home to numerous other attractions and destinations, including Arizona Folklore Preserve; the cities of Bisbee and Tombstone; Chiricahua National Monument; Coronado National Forest and Coronado National Memorial; Fort Bowie National Historic Site; Fort Huachuca; Lehner Mammoth Kill Site; Murray Springs Clovis Site; numerous public and private observatories; and several Arizona wineries. For more information, visit [www.bensonvisitorcenter.com](http://www.bensonvisitorcenter.com) or [www.ExploreCochise.com](http://www.ExploreCochise.com).

### COCHISE COUNTY NATIONAL PARK VISITATIONS

YEAR	CHIRICAHUA NATIONAL MONUMENT		CORONADO NATIONAL MEMORIAL		FORT BOWIE NATIONAL HISTORIC SITE	
	VISITATIONS	CHANGE	VISITATIONS	CHANGE	VISITATIONS	CHANGE
2007	58,434	-5.1%	71,702	0.8%	10,027	-6.1%
2008	56,557	-3.2%	91,028	27.0%	10,095	0.7%
2009	60,846	7.6%	103,811	14.0%	9,641	-4.5%
2010	55,430	-8.9%	136,281	31.3%	9,491	-1.6%
2011	37,030	* -33.2%	153,040	12.3%	8,429	-11.2%

\*The decline in 2011 was largely due to wildfires that resulted in closure of the park; several areas remained closed after the fire was extinguished. Source: Arizona Office of Tourism and Cochise College Center for Economic Research.

### COCHISE COUNTY STATE PARK VISITATIONS

YEAR	KARTCHNER CAVERNS STATE PARK		TOMBSTONE COURTHOUSE STATE HISTORIC PARK	
	VISITATIONS	CHANGE	VISITATIONS	CHANGE
2007	159,892	1.6%	51,866	1.8%
2008	153,224	-4.2%	51,932	0.1%
2009	144,089	-6.0%	44,403	-14.5%
2010	123,999	-13.9%	49,825	12.2%
2011	116,757	-5.8%	46,037	-7.6%

Source: Arizona State Parks and Cochise College Center for Economic Research.

## Events

The following events are held in Benson each year. For more information, visit [www.bensonvisitorcenter.com](http://www.bensonvisitorcenter.com).

<b>JANUARY:</b>	Cowboy/Cowgirl Round-up
<b>MARCH:</b>	Cochise Community Creative Writing Celebration
<b>APRIL:</b>	Bluegrass in the Park
<b>MAY:</b>	Holy Trinity Monastery Fiesta de la Primavera
<b>JULY:</b>	4th of July Festivities
<b>OCTOBER:</b>	Butterfield Overland Stage Days, Butterfield Rodeo, Southern Arizona Harley Riders' Biker Rodeo
<b>NOVEMBER:</b>	Holy Trinity Monastery's Fall Festival of the Arts, Thanksgiving Fiesta of Books
<b>DECEMBER:</b>	Cascabel Christmas Fair, Christmas on Main Street
<b>ALL YEAR:</b>	Amerind Foundation events, Bird Watching & Hiking

## Cochise County Lodging Indicators

In 2011, according to Arizona Office of Tourism (AOT), Cochise County's lodging occupancy rate decreased by 2.4 percent, dropping from 54.6 to 53.3 percent for the year. The county's lodging occupancy rate for 2011 was below the statewide rate of 57.6 percent and the nationwide rate of 60.1 percent. The

average daily room rate in Cochise County decreased by 0.8 percent from \$69.76 to \$69.20 in 2011. Revenue generated per available room was down 3.2 percent from \$38.07 to \$36.85. Lodging room demand was down 2.6 percent and supply was down 0.2 percent in 2011.

## Economic Impact of Tourism and Travel in Cochise County

According to research conducted by Dean Runyon Associates, total travel-related spending in Cochise County was \$338.6 million in 2010, up 2.6 percent from 2009. Approximately 4,130 jobs were generated by travel-related spending in 2010. Travel-related spending accounted for approximately \$78.5 million in direct earnings and generated approximately \$12 million in direct local government tax revenue in 2010. Travel-related activity includes both business and leisure travel. In Cochise County this includes military and Department of Defense civilian and contractor personnel on temporary duty to Fort Huachuca for training, attendance at conferences, or other military or defense-related activities. It also includes other government travel unrelated to the fort.

### COCHISE COUNTY TRAVEL IMPACTS

	2006	2007	2008	2009	2010
<b>TOTAL DIRECT TRAVEL SPENDING (\$MILLION)</b>					
Visitor Spending at Destination	326.8	350.9	350.0	329.9	338.6
Other Travel*	0.8	0.9	1.0	1.2	1.0
Total Direct Spending	327.7	351.8	351.0	331.1	339.6
<b>VISITOR SPENDING BY TYPE OF TRAVELER ACCOMMODATION (\$MILLION)</b>					
Hotel, Motel	86.2	106.1	110.0	97.6	113.3
Campground	52.3	52.5	52.0	46.3	45.0
Private Home	65.9	67.2	63.1	58.8	64.3
Vacation Home	6.8	7.0	7.3	7.0	7.3
Day Travel	115.7	118.0	117.6	120.2	108.6
Spending at Destination	326.8	350.9	350.0	329.9	338.6
<b>VISITOR SPENDING BY COMMODITY PURCHASED (\$MILLION)</b>					
Lodging	40.4	49.0	50.8	46.0	50.8
Food & Beverage Services	74.0	81.1	80.0	80.1	83.4
Food Stores	57.8	58.9	59.2	64.7	54.0
Ground Tran. & Motor Fuel	50.5	53.7	55.8	36.8	46.7
Arts, Entertainment & Recreation	41.3	43.8	41.9	39.9	41.4
Retail Sales	62.8	64.3	62.4	62.6	62.3
Spending at Destination	326.8	350.9	350.0	329.9	338.6
<b>INDUSTRY EARNINGS GENERATED BY TRAVEL SPENDING (\$MILLION)</b>					
Accommodation & Food Services	35.4	41.6	43.7	43.2	41.7
Arts, Entertainment & Recreation	19.1	20.2	20.3	19.3	19.6
Retail**	19.0	18.6	19.5	18.1	16.0
Auto Rental & other ground tran.	0.3	0.3	0.3	0.3	0.3
Other Travel*	0.6	0.7	0.7	0.9	0.8
Total Direct Earnings	74.3	81.4	84.6	81.7	78.5
<b>INDUSTRY EMPLOYMENT GENERATED BY TRAVEL SPENDING (JOBS)</b>					
Accommodation & Food Services	2,140	2,270	2,280	2,210	2,130
Arts, Entertainment & Recreation	1,260	1,380	1,410	1,330	1,340
Retail**	860	800	810	730	640
Auto Rental & other ground tran.	10	10	10	10	10
Other Travel*	20	20	20	20	20
Total Direct Employment	4,280	4,480	4,530	4,290	4,130
<b>GOVERNMENT REVENUE GENERATED BY TRAVEL SPENDING (\$MILLION)***</b>					
Local	10.7	11.8	11.7	11.5	12.0
State	12.0	12.8	12.5	12.1	12.9
Total Direct Government Revenue	22.7	24.6	24.3	23.6	24.9

Note: 2010 data are preliminary. Details may not add to totals due to rounding. \*Other Travel includes resident air travel and travel arrangement. \*\*Retail includes gasoline. \*\*\*Property taxes and sales tax payment of travel industry employees not included. Source: Dean Runyon Associates and Arizona Office of Tourism.

## 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. For information on filming in Benson, contact the Benson Visitor Center at (520) 586-4293. Movies that have been filmed in the Benson area over the years include:

- *The Gundown*, starring Sheree Wilson, William Shockley, and Peter Coyote
- *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 Worthy, 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 Glickenhau.
- *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



Tank and panel at Canyons reserve

## Renewable energy

### Renewable Energy Incentives

Sulphur Springs Valley Electric Cooperative, Inc. (SSVEC), which provides electrical service to Benson and other areas of Cochise County, offers several incentives to promote the use of alternative energy. In addition to these incentives, customers may also qualify for federal and state tax credits. *(Note: The information provided in this section was current at the time of publication. For detailed and up-to-date information on incentives, visit [www.ssvec.org](http://www.ssvec.org).)*

#### RESIDENTIAL AND SMALL COMMERCIAL (UNDER 10 KW) REBATE PROGRAM

This program provides incentives for the installation of qualifying renewable energy programs (solar, wind, and biomass). SSVEC provides incentives of \$2 per installed watt or up to 40 percent of the total installed cost of the system, whichever is less. Individuals interested in forfeiting the rebate can qualify for a performance based incentive (PBI) over a period of 10, 15, or 20 years up to 50 percent of the system's cost. Funding is limited so members must contact SSVEC prior to construction to ensure availability.

#### LARGE COMMERCIAL (OVER 10 KW) PROGRAMS

Please contact the SSVEC Commercial Representative at (520) 515-3472 for program guidelines.

#### NEW HOME BUILDERS PROGRAM

SSVEC offers homebuilders a \$1,500 incentive for 2kW or larger systems. This rebate is in addition to the residential and commercial rebate program and is payable only to the builder.

#### RESIDENTIAL AND SMALL BUSINESS LOAN PROGRAM

SSVEC members may borrow \$2 per watt up to a maximum of 25 percent of the total cost of the renewable energy project at an interest rate of 3 percent. The loan is secured by a lien on the house or property and is repaid in equal monthly installments over 5 years for loans under \$10,000 and 10 years for loans over \$10,000, with no prepayment penalty. There is a cap on loan amounts of \$8,000 for residential systems and \$20,000 for small business systems. Funding is limited and available on a first come, first served basis.

#### SOLAR WATER HEATERS

Solar water heaters are eligible for a rebate of \$0.75 per kWh of the first year savings as determined by the Solar Rating and Certification Corporation ([www.solar-rating.org](http://www.solar-rating.org)).



San Pedro Golf Course in Benson • Photo: Benson Visitor Center

## Community resources

### City of Benson

120 W. 6th Street, PO Box 2223, Benson, AZ 85602  
 Telephone ..... (520) 586-2245  
 Website ..... [www.cityofbenson.com](http://www.cityofbenson.com)  
 Building Department ..... (520) 586-2003  
 Building Inspector ..... (520) 720-6318  
 City Clerk ..... (520) 720-6311  
 City Manager ..... (520) 720-6319  
 Finance Development Services Department ..... (520) 586-2245  
 Planning & Zoning ..... (520) 720-6328  
 Utilities ..... (520) 586-2245

### BENSON VISITOR CENTER

249 E. 4th Street, Benson, AZ 85602  
 Telephone ..... (520) 586-4293  
 Email ..... [info@bensonvisitorcenter.com](mailto:info@bensonvisitorcenter.com)  
 Website ..... [www.bensonvisitorcenter.com](http://www.bensonvisitorcenter.com)

### Benson/San Pedro Valley Chamber of Commerce

234 E. 4th Street, PO Box 2255, Benson, AZ 85602  
 Telephone ..... (520) 586-2842  
 Email ..... [info@bensonchamberaz.com](mailto:info@bensonchamberaz.com)  
 Website ..... [www.bensonchamberaz.com](http://www.bensonchamberaz.com)

### Industrial Development Authority of Benson

PO Drawer 2255, Benson, AZ 85602  
 Telephone ..... (520) 586-2842

### Southeast Arizona Economic Development Group

Telephone ..... (520) 265-6058  
 Email ..... [saedg09@gmail.com](mailto:saedg09@gmail.com)  
 Website ..... [george@saedg.org](http://george@saedg.org)

### Arizona Department of Economic Security

551 W. 4th Street, Benson, AZ 85602  
 Employment Services ..... (520) 458-9309  
 Unemployment Insurance ..... (877) 600-2722  
 Vocational Rehabilitation ..... (520) 586-8334

### Cochise County Workforce Development

1843 Paseo San Luis, Sierra Vista, AZ 85635  
 Telephone ..... (520) 458-9309  
 Website ..... [www.cochiseworkforce.com](http://www.cochiseworkforce.com)

### Small Business Development Center

901 North Colombo Ave., Sierra Vista, AZ 85635  
 Telephone ..... (520) 515-5478  
 Website ..... [www.cochise.edu](http://www.cochise.edu)

**Cochise County**

**COCHISE COUNTY BOARD OF SUPERVISORS**

1415 Melody Lane, Bldg. G, Bisbee, AZ 85603  
 Telephone ..... (520) 432-9200  
 Email ..... board@cochise.az.gov  
 Website ..... www.cochise.az.gov

**COCHISE COUNTY HIGHWAY & FLOODPLAIN**

126 W. 5th Street, Room 239, Benson, AZ 85602  
 Telephone ..... (520) 586-8283  
 Website ..... www.cochise.az.gov

**COCHISE COUNTY SERVICE CENTER REPRESENTATIVE**

126 W. 5th Street, Benson, AZ 85602  
 Telephone ..... (520) 586-8140  
 Website ..... www.cochise.az.gov

**Financial Institutions**

**AMERICAN SOUTHWEST CREDIT UNION**

654 E. 7th Street, Benson, AZ 85602  
 Telephone ..... (520) 586-8821  
 Website ..... www.americansouthwestcu.org

**BANK OF AMERICA**

149 W. 4th Street, Benson, AZ 85602  
 Telephone ..... (520) 586-2279  
 Website ..... www.bankofamerica.com

**NATIONAL BANK OF ARIZONA**

625 W. 4th Street, Benson, AZ 85602  
 Telephone ..... (520) 586-2228  
 Website ..... www.nbarizona.com

**SOUTHEASTERN ARIZONA FEDERAL CREDIT UNION**

182 E. 4th Street, Benson, AZ 85602  
 Telephone ..... (520) 586-7095  
 Website ..... www.seafcu.com/seafcu

**Utilities and Telecommunications**

**ARIZONA ELECTRIC POWER COOPERATIVE, INC.**

1000 S. Highway 80, Benson, AZ 85602  
 Telephone ..... (520) 586-3631  
 Website ..... www.azgt.coop

**COX COMMUNICATIONS**

296 W 5th St, Benson, AZ 85602  
 Telephone ..... (520) 586-9679  
 Website ..... www.cox.com

**SOUTHWEST GAS**

202 E. Wilcox Drive, Sierra Vista, AZ 85635  
 Telephone ..... (800) 428-7324  
 Website ..... www.swgas.com

**SULPHUR SPRINGS VALLEY ELECTRIC COOPERATIVE**

285 W. 5th Street, Benson, AZ 85602  
 Telephone ..... (520) 586-2238  
 Website ..... www.ssvvec.org

**CENTURYLINK**

134 W. 4th Street, Benson, AZ 85602  
 Telephone ..... (888) 364-4114  
 Website ..... www.qwest.com



The CER hosts economic outlook luncheons each year throughout Cochise County

## About the Center for Economic Research

The Cochise College Center for Economic Research (CER), founded in 1995, provides economic information, analysis, and forecasting to help leaders in the public, private, and nonprofit sectors make informed decisions; provides opportunities for Cochise College students to conduct and publish research on local and regional economic issues; and educates residents of Cochise County on the local, state, and national economy through public presentations, newspaper columns, radio show appearances, and social media networking. The CER hosts economic outlook luncheons each year in Benson, Bisbee, Douglas, and Sierra Vista. The center also produces four major publications annually as part of its Cochise County Economic Outlook Publication Series: *Benson Economic Outlook*, *Bisbee Economic Outlook*, *Douglas Economic Outlook*, and *Sierra Vista Economic Outlook*.

Throughout the year, the CER responds to a wide range of information requests from business and community leaders throughout Cochise County and across the state and region. The CER director serves on community projects, committees, and task forces providing technical expertise in research methodology and serving as a source of economic and demographic information, analysis, and forecasting. As an extension of Cochise College's educational mission, the CER prepares weekly press releases that are published in newspapers countywide and provide insight into economic issues affecting Cochise County. The CER's quarterly journal, *The Indicator*, provides updates on the local economy and provides opportunities for Cochise College students, faculty, and staff, as well as local community leaders, to conduct research and publish articles on the local and regional economy. The CER maintains an official Facebook group to update group members on issues related to the local, state, and national economies.

The CER has economic advisory committees in Benson, Bisbee, Douglas, and Sierra Vista. These committees include representatives from various sectors of the local economy who provide advice, expertise, and input to the content of the economic outlook publications and luncheon presentations. They also serve as focus groups for the study of the qualitative aspects of the local economy and provide specialized expertise related to the organizations and industries they represent.

The CER is a member of the Association for University Business and Economic Research (AUBER), one of only two community college organizations in the nation holding membership. In addition, the CER is a state data center affiliate, receiving and disseminating U.S. Census Bureau data to local governments and nongovernmental data users at no charge or on a cost-recovery or reimbursable basis. The CER is charged with raising its own operating budget through sponsorships, gifts, donations, sponsored research, and other sources.

Dr. Robert Carreira has served as director of the CER since 2005. He holds a doctor of philosophy degree in public policy, and master's degrees in public administration, education, and international relations (international political economics).

### **Contact the CER**

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

### **Center Staff**

Dr. Robert Carreira – Director  
Iris Routhieaux – Information Specialist  
Rebecca M. Horlick – Office Assistant

### **Benson Economic Advisory Committee**

Jim Cox – City of Benson  
Gary Maluf, Ph.D. – Benson Hospital  
Kate Mueller – St. David Unified School District  
Glenn Nichols – City of Benson  
Bob Nilson – Benson Visitor Center  
Barbara Richardson – Cochise College Benson Center  
George Scott – Southeast Arizona Economic Development Group  
Telly Stanger – Sulphur Springs Valley Electric Cooperative, Inc.  
Marc M. Washington, Sr. – Benson/San Pedro Valley Chamber of Commerce  
Dr. David Woodall – Benson Unified School District