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Benson
Arizona

Benson

ECONOMIC OUTLOOK 2011



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

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Benson Visitor Center
Photo: Benson Visitor Center

A review of the national, state, and local economy

National

In September 2010, the National Bureau of Economic Research announced the recession, which began in December 2007, had officially ended in June 2009. At 18 months, the recession was the longest economic downturn since the Great Depression. From the beginning of the recession in December 2007 through December 2009, the national economy lost 8.4 million jobs, pushing the nation's unemployment rate from 4.4 to 10 percent. The unemployment rate in October 2009 hit 10.1 percent, its highest level since June 1983.

From March through May 2010, the national economy gained 927,000 jobs, but many of those were temporary Census jobs. June through September saw a net loss of 329,000 jobs, which was driven by the loss of Census jobs. From October through December, the national economy gained 416,000 jobs, leading to a net gain of 940,000 jobs for calendar year 2010. In the first quarter of 2011, the national economy gained 478,000 jobs, more than half of the entire net gain of 2010. In March 2011, the national unemployment rate dropped to 8.8 percent, its lowest level in 2 years. From November 2010 to March 2011, the nation's unemployment rate fell by a full percentage point.

The nation's gross domestic product (GDP), the broadest measure of economic activity representing the value of all goods and services produced in the economy, declined in 5 of 6 quarters from the first quarter of 2008 through the second quarter of 2009. Signaling the end of the recession, GDP was up for 6 straight quarters from the third quarter of 2009 through the fourth quarter of 2010. Overall, GDP stagnated in 2008, declined 2.6 percent in 2009, and increased 2.9 percent in 2010.



Robert Carreira, Ph.D.
Director
Center for Economic
Research
Cochise College

U.S. RECESSIONS SINCE 1945

PEAK	TROUGH	DURATION (MONTHS)
FEBRUARY 1945	OCTOBER 1945	8
NOVEMBER 1948	OCTOBER 1949	11
JULY 1953	MAY 1954	10
AUGUST 1957	APRIL 1958	8
APRIL 1960	FEBRUARY 1961	10
DECEMBER 1969	NOVEMBER 1970	11
NOVEMBER 1973	MARCH 1975	16
JANUARY 1980	JULY 1980	6
JULY 1981	NOVEMBER 1982	16
JULY 1990	MARCH 1991	8
MARCH 2001	NOVEMBER 2001	8
DECEMBER 2007	June 2009	18

Source: National Bureau of Economic Research.

Arizona

From December 2007 through December 2010, Arizona lost 309,200 jobs. The hardest hit industries were construction, which lost 102,000 jobs; trade, transportation, and utilities, which lost 68,300 jobs; and professional and business services, which lost 61,900 jobs. Within the trade, transportation, and utilities industry grouping, more than 70 percent of the jobs lost were in retail trade. Arizona's unemployment rate rose from a low of 3.6 percent in July 2007 to a high of 10.4 percent in November and December 2009. As of February 2011, the statewide unemployment rate sat at 9.6 percent, where it had stabilized since November 2010.

Arizona's GDP fell by 1.5 percent in 2008 and 3.9 percent in 2009. Arizona's economy was 46th in the nation in 2008 and 47th in 2009, ranked according to economic growth rates. In 2005 and 2006, Arizona was one of the top 3 fastest growing states in the nation, economically. In 2009, the continued decline in construction was the major cause of the slowdown, subtracting 1.5 percentage points from the state's GDP. This was followed by real estate and rental and leasing, which subtracted 0.67 points, and retail trade, which subtracted 0.56 points.

The budget deficit continued to dominate the legislative agenda in 2010 and into 2011. During the boom years, state taxes were lowered and government spending increased to unsustainable levels. The housing market decline and reductions in sales and income tax revenue resulted in budget deficits in fiscal years 2009, 2010, and 2011. As of early 2011, the state government faced a current-year budget deficit of \$700 million and a projected deficit of more than \$1.1 billion for fiscal year 2012. This was despite the passage of Proposition 100 in May 2010, a measure that increased the state's sales tax rate for 3 years by one percentage point from 5.6 to 6.6 percent. In November 2010, voters rejected Propositions 301 and 302, which would have redirected \$470 million from land conservation and early-childhood development to the state's general fund.

Cochise County

In 2010, Cochise County lost 625 nonfarm jobs for job growth of -1.7 percent. The only sector to see positive job growth in 2010 was government, led by a gain of 350 federal government jobs (6.7 percent job growth), which was mostly offset by the loss of 300 state and local government jobs (-4.1 percent). Professional and business services lost 250 jobs (-4.3 percent), trade, transportation, and utilities lost 150 jobs (-2.4 percent), manufacturing lost 100 jobs (-14.8 percent), financial activities lost 50 jobs (-5.1 percent), leisure and hospitality lost 50 jobs (-1.2 percent), educational and health services lost 25 jobs (-0.6 percent), information lost 25 jobs (-3.8 percent), and other services lost 25 jobs (-2.8 percent). Construction jobs stabilized at 2009 levels in 2010.

Cochise County's retail market slipped into recession in late 2007 and remained there through early 2011. Annual retail sales countywide declined by 6.5 percent in 2008, 4.2 percent in 2009, and 4.8 percent in 2010, after adjusting for inflation. In January 2011, sales were down 7.9 percent compared to the same month the year prior.

Cochise County's restaurant and bar sales also slipped into recession in late 2007. Inflation-adjusted sales were up 0.2 percent in 2008 and 0.3 percent in 2009. In both years, monthly sales saw considerable instability with a few strong months pushing sales for the year into positive territory. Sales in 2010 were flat, and January 2011 saw a 2.7 percent increase, which was the third consecutive month of growth. Restaurant and bar sales were up in 4 of 5 months ended in January 2011, signaling a potential recovery of the industry.

The county's accommodation sales, which include hotel, motel, RV Park, and other temporary lodging stays of less than 30 days, slipped into recession in April 2008. Sales were up 0.1 percent for the year in 2008, after the inflation adjustment. In 2009, sales were down 4.7 percent. Sales in 2010 rebounded and were up 8.3 percent for the year, after adjusting for inflation. Most of the strong performance was due to activities associated with Fort Huachuca, including the *Empire Challenge* exercise in July and August. All of the countywide growth in 2010 can be attributed to lodging stays

in Sierra Vista and Benson. In a turn away from the strong performance of 2010, Cochise County's accommodation sales saw a 10.7 percent decline in January 2011, compared to January 2010, and were down in 3 of the 4 months from October 2010 through January 2011.

After a strong start to 2010 in new residential construction, a slowdown in the second half of the year resulted in an 8.7 percent decline for the year in new home permits countywide. The drop represents the 5th consecutive year of declining new residential construction. The number of new home permits countywide in 2010 was at its lowest level since 1991.

Existing home sales in Cochise County were up by 4.2 percent in 2010, the second year of modest growth following 3 consecutive years of double-digit declines. The median home price countywide was down 14 percent in 2010, due largely to an increasing number of foreclosed homes on the market, which tend to be sold at lower prices. In 2010, 26.3 percent of all homes sold in Cochise County were foreclosures, up from 15.5 percent in 2009. From 2004 through 2007, the median home price countywide increased by 39.4 percent; from 2007 through 2010, it dropped by 19.5 percent. The median home price of \$157,000 in 2010 was at its lowest level since 2004.

Benson

Benson's retail sales tax collections in 2010 were down 1.1 percent after adjusting for inflation. Declines in 2008, 2009, and 2010 were on the heels of a 42.8 percent jump in 2007, following the opening of the Wal-Mart Supercenter in the city in late 2006. In the 12 months following the opening of Wal-Mart, the city's retail sales tax revenue increased by 45.6 percent.

Benson's restaurant and bar sales struggled from 2005 through 2008, declining each year 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. Restaurant and bar receipts were down 5.6 percent in January 2011, compared to the same month the year prior, and were down in 5 of 6 months from August 2010 through January 2011.

In 2010, accommodation sales in Benson were up 1 percent from the year prior, after adjusting for inflation. This followed declines of 7.5 and 5.5 percent in 2008 and 2009, respectively. Benson's accommodation receipts in January were down 13.1 percent compared to January 2010. January 2011 was the 4th straight month of declining sales following strong performance in the first three quarters of 2010.

The year 2006 saw the first major step toward build-out of several planned residential developments when the City of Benson issued 104 new single-family 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 2010, the number of existing homes sold in Benson fell by 11.9 percent, after declining by 1.9 percent in 2009. The drop in 2010 was the 4th consecutive year of declining home sales in Benson. Sales volume in 2010 was down 41.4 percent from the peak in 2004.

The median price of a home sold in Benson was down 19.4 percent in 2010. The median price of \$125,000 was at its lowest level since 2005, and was down 21.9 percent from the peak in 2007.

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

In 2010, the number of existing homes sold in Benson fell by 11.9 percent, after declining by 1.9 percent in 2009.



Benson Visitor Center
Photo: Benson Visitor Center

Accomplishing the mission



Glenn Nichols
City Manager
City of Benson

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

This mission statement, developed by the mayor and city council, is reviewed and updated on an annual basis to ensure the city is moving in the right direction.

Each department in the city uses this mission statement as a vital tool for the development of objectives and strategies to realize the overall goals set by the council. In doing so, they keep Benson both poised for the future and responsive to the needs of all in the community. We strive to provide excellent customer service in all areas.

The city has remained fiscally responsible as indicated in the annual audit, showing Benson is in a better position financially than many other cities and towns. As a result, the city was able to attain an AA bond rating from Standard & Poor’s, allowing the council to approve a \$5 million bond to not only consolidate debt, but to obtain just over \$2 million for capital improvements. This gave the city the added benefit of completing projects when construction costs were at an all-time low, without incurring any additional cash deficits or affecting the city budget. All departments are cognizant of the economic environment and have sought ways to save money and seek funding opportunities. This resulted in the use of only \$10 million of our council-approved \$17.6 million budget for FY 2009-2010, which is another example of the city being fiscally responsible.

The city provides a variety of utility services: wastewater, potable water, natural gas, and solid

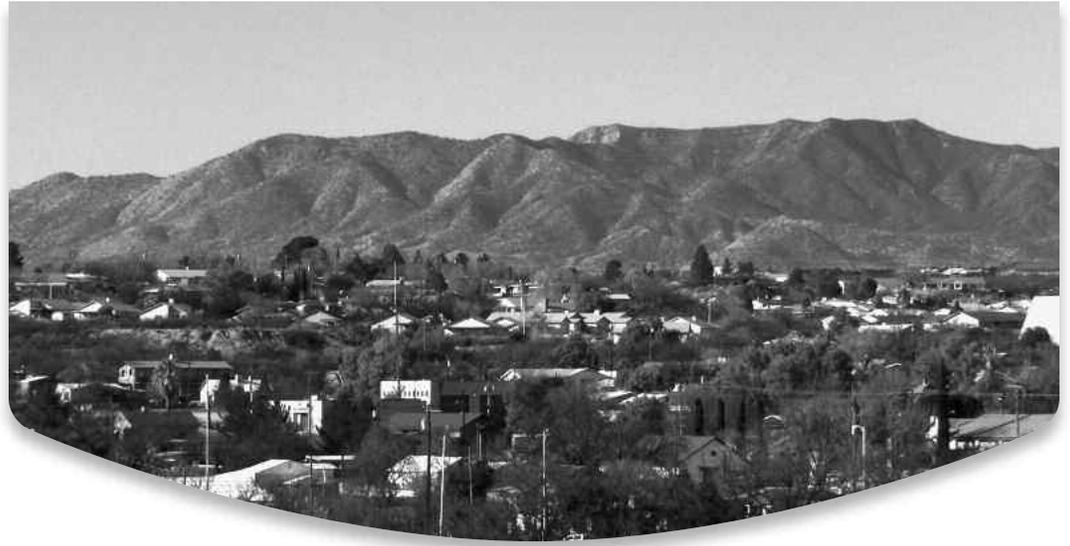
waste. The city's infrastructure is in place to support growth with the wastewater treatment plant having a permitted capacity of 1.2 million gallons per day and the designation of adequacy of water supply from the Arizona Department of Water Resources for the existing city boundaries. The city requires any outside land to provide its own designation of adequacy of water supply and give that designation to the city upon annexation, which demonstrates the city's commitment to the use of a long-term perspective in managing its water resources.

The establishment of the Economic Development Subcommittee (EDSC) demonstrates the mayor and council are committed to enhance the economic well-being and quality of life of the community and its residents. The EDSC was charged with creating a policy statement in the form of a strategic plan, which identifies the resources it will take to build a competitive economy and defines the city's economic development goals. The Economic Development Strategic Plan and the city's Asset Inventory are both available on the city's website.

The city is working on revitalizing the existing community through a variety of infrastructure projects and enhancements. Bond proceeds are being utilized to have the engineering done on the wastewater line on Ocotillo, which will need to be replaced in the near future. Bond proceeds are also being used for Lions Park improvements, which include using non-drinking quality water for irrigation at the park. These improvements are currently underway with the soccer field and sand lot being leveled and the sprinkler system being upgraded. Another improvement utilizing bond proceeds was the recently completed chip seal of Patagonia, Silverwood, and Post Road, which was done in cooperation with Cochise County via an intergovernmental agreement. The city will continue street improvements through the Community Development Block Grant program and use a portion of that grant to complete a drainage study on the northeast end of the city. The drainage study will be instrumental in seeking funding opportunities to address drainage issues.

Two major enhancements the city has accomplished are the addition of the San Pedro Golf Course and the Benson Area Transit (BAT) System. The San Pedro Golf Course is a championship, 18-hole course the city recently acquired. The recent opening of a full service restaurant offers golfers and other visitors another dining experience in the city. The BAT System, the new public transit service, began operation on April 4, 2011. The new BAT buses are wheelchair accessible, equipped with bike racks, and are fully climate controlled. The BAT provides bus service throughout the city of Benson and to Cochise College, Mescal/J6, and Pomerene, running Monday through Friday between 6:30 a.m. and 6:00 p.m. The BAT will also provide deviated fixed-route service for those who live within three-quarters of a mile of a bus route but are unable to get to a designated bus stop. The city will also continue the Dial-a-Ride service for seniors and persons with disabilities. The BAT will be funded through the Federal Transit Administration's Rural Transit Program. This service is a major addition to the services the city provides, and with the grant funding in place has no impact on the budget.

With the leadership of the elected officials, the city staff has accomplished many goals, continues to take advantage of opportunities, and stays focused on enhancing the quality of life for its residents, as well as building a quality community. On behalf of the mayor, council, and city staff, you are invited to take advantage of all that Benson has to offer.



A view of Benson
Photo: Benson Visitor Center

The City of Benson

Benson is the fourth largest of seven incorporated areas in Cochise County. With a population of 5,105 as of Census 2010, Benson accounts for 3.9 percent of the county's population. The Benson Census County Division (CCD), which includes the City of Benson, the unincorporated area of St. David, and surrounding unincorporated areas, had a combined population of more than 12,000 in 2010, according to Arizona Department of Commerce (ADOC) estimates. Benson is located 45 miles southeast of Tucson and 156 miles southeast of Phoenix. The city is located along several trade routes: Interstate 10, State Route 80, State Route 90, and the main line of the Union Pacific Railroad.

The City of Benson was incorporated in 1924. Long before that, Benson developed as a stopping point for the Butterfield Overland Stage mail delivery route. The Southern Pacific Railroad came to Benson in the late 1800s and served the area until 1997, when the line was purchased by Union Pacific Railroad. In the late 1800s and early 1900s, Benson was the railroad hub of Southern Arizona. Benson's culture is characterized by images of the Old West and the city's traditional railroad heritage.

In addition to its designation as The Gateway to the San Pedro Valley, Benson is also known as the Home of Kartchner Caverns State Park. Located on 550 acres at the foothills of the Whetstone Mountains on State Route 90, the park offers picnicking, camping, hiking, walking, and the magnificent "still-living" caverns. On average, more than 145,000 people visit the caverns each year.

Nearby locations of interest include Old Tucson's Mescal movie site; the cities of Tombstone and Bisbee; Gammon Gulch Movie Set and Museum; the Amerind Foundation and Museum, which features remnants of prehistoric Native American cultures; the Holy Trinity Monastery; San Pedro Riparian National Conservation Area; Fort Bowie National Historic Site; Fort Huachuca; Coronado National Memorial and Coronado National Forest; Cochise Stronghold; Texas Canyon; San

Bernardino Wildlife Refuge; and Chiricahua National Monument and the Chiricahua Mountains. In addition, there are numerous mountain ranges that provide rock hounding, photography, picnicking, hiking, camping, bird watching, and hunting opportunities. To learn more about Benson, visit the city's website at www.cityofbenson.com or the Benson Visitor Center's website at www.bensonvisitorcenter.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. The city has expressed a commitment to maximize utilization of the airport, and applied for and received more than \$7.1 million in grants from the Federal Aviation Administration and Arizona Department of Transportation between 1995 and 2008.

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. For more information, call (520) 586-3262 or visit www.cityofbenson.com.

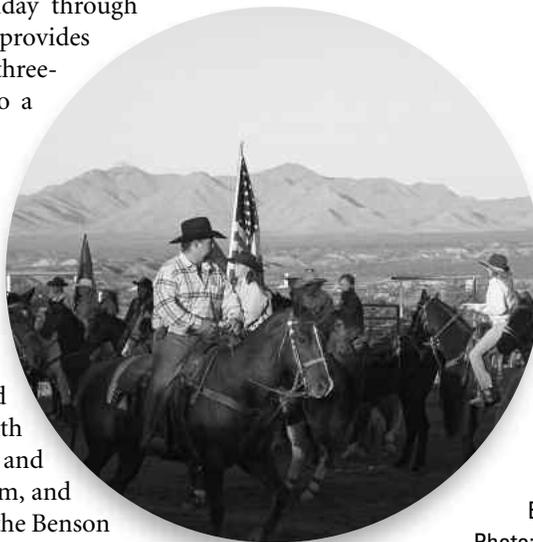
Quality of Life

As part of its economic development efforts, the City of Benson has focused on enhancing services that contribute to the quality of life of local residents, seasonal visitors, and others who travel to or through the area. In 2010, the city council accepted the donation of the \$12.5 million, championship 18-hole San Pedro Golf Course, which the city now runs. A full service restaurant recently opened at the golf course.

The city's Benson Area Transit (BAT) system offers bus transportation in the city and surrounding areas. The BAT buses are wheelchair accessible, equipped with bike racks, and are fully climate controlled. The BAT provides bus service throughout Benson and to Cochise College, Mescal/J6, and Pomerene, running Monday through Friday between 6:30 a.m. and 6:00 p.m. The BAT also provides deviated fixed-route service for those who live within three-quarters of a mile of a bus route but are unable to get to a designated bus stop.

The city's quality of life infrastructure also includes the Benson Library, which in addition to traditional library services also provides internet access. The city is home to Lions Park, Apache Park, and Union Street Park, which are managed by the city's Parks Division. Park amenities include a swimming pool, lighted sports fields, a basketball court, horseshoe pits, a volleyball court, a skate park, walking trails, several ramadas, barbeque grills, a playground, and restrooms. The city's Recreation Division works closely with local and surrounding 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 with the support of special committees, the City of Benson supports a variety of annual special events, including the 4th of July Celebration, Butterfield Overland Stage Days, Christmas on Main Street, Bluegrass in the Park, and



Butterfield Rodeo
Photo: Benson Visitor Center

the Biker Rodeo. The city's view is that investing in these special events pays dividends to its local merchants and contributes to the image of Benson, helping residential home sales and supporting the city's workforce development efforts.

Water Conservation

A primary function of the city's Water Utility Division is the production and delivery of water that meets or exceeds water quality standards and in sufficient quantity to meet customer demands. The city has adopted an approach to water resource management that includes water conservation and the use of reclaimed water. In July 2007, the mayor and city council approved the city's Water Conservation Plan. In October 2005, the Arizona Department of Water Resources issued the city the Decision and Order Number 21-401803 on the Designation of an Adequate Water Supply. As a result, the city was granted 12,784 acre feet of groundwater use per year. The city's Capital Improvements Program has several water supply construction projects to meet future demands.

Capital Improvements

The City of Benson's 2007-2011 Capital Improvements Program includes maintenance and new construction projects to support a wide range of services, from a new police station to major park expansions. One recently completed project is the new Union Street Park Pool at \$550,000. On the maintenance side, the plan includes more than \$200,000 a year in pavement preservation. Other projects include the \$3 million reconstruction of Ocotillo Street from 4th Street to Union Street, the design of the wastewater treatment plant expansion, and several water projects.

Cost of Living

According to the ACCRA Cost of Living Index (COLI), the cost of living in Cochise County was below the national average in 2010. The Council for Community and Economic Research in Arlington, VA administers the ACCRA COLI, which measures relative price levels for consumer

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

*The Sierra Vista-Douglas Micropolitan Area is a statistical area designation for all of Cochise County. 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), ACCRA 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

Note: The Sierra Vista-Douglas Micropolitan Area is a statistical area designation for all of Cochise County. 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), ACCRA Cost of Living Index.

goods and services in more than 300 participating areas in all 50 states. The ACCRA index includes separate weighted sub-indices for grocery items, housing, utilities, transportation, healthcare, and miscellaneous goods and services.

The COLI data indicate Cochise County's cost of living in 2010 was 2.2 percent lower than the average of all participating places nationwide. This was down from 2009, when the cost of living locally was only 0.8 percent below the national average, and 2008, which saw local prices 0.2 percent above the national average.

The cost of living in Cochise County in 2010 was higher than in Tucson—a continuation of the trend that began in 2008. The cost of living in Cochise County was lower than in Phoenix, a reversal from 2009. In 2010, the cost of living locally was 1.5 percent higher than Tucson and 2.8 percent lower than Phoenix.

In 2010, all categories of cost were lower in Cochise County than nationwide except transportation, which has been on an upward trend locally in recent years. 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 and 4 percent above the national average in 2010.

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

Local grocery costs were 3.5 percent below the national average in 2010, 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 and 0.3 percent above in 2009.

Healthcare costs in Cochise County were 4.1 percent below the national average in 2010, down from 2.6 percent below in 2009. In 2008, local healthcare costs were 0.5 percent higher than nationally.

The local cost of miscellaneous goods and services was 4.5 percent below the national average in 2010. This was up from 2009, which saw local miscellaneous goods and services priced 5.3 percent below national averages.

The cost of utilities in Cochise County was 2.6 percent below the national average in 2010. This was up from 2009, which saw local costs 5.7 percent lower than nationally.

Statewide, there were seven places participating in the ACCRA COLI in 2010. In addition to Cochise County, other participating areas were Flagstaff, Lake Havasu City, Phoenix, Prescott-Prescott Valley, Tucson, and Yuma. Of these, only Tucson had an overall cost of living that was lower than Cochise County in 2010. The highest cost of living in Arizona was in Flagstaff, which was 14.8 percent above the national average.

(Note: Cost of living data are based on countywide prices; prices in many categories vary across the county.)

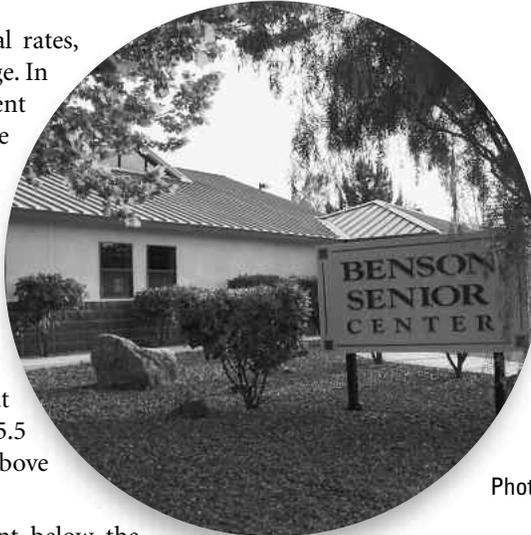


Photo: Benson Visitor Center

BENSON WEATHER

MONTH	AVG. HIGH	AVG. LOW	MEAN	AVG. PRECIP.	RECORD HIGH	RECORD LOW
January	63°F	29°F	46°F	1.05 in.	84°F (1971)	6°F (1964)
February	67°F	32°F	49°F	0.58 in.	90°F (1957)	10°F (1972)
March	71°F	36°F	54°F	0.53 in.	93°F (1989)	12°F (1965)
April	79°F	41°F	60°F	0.26 in.	98°F (1989)	18°F (1945)
May	87°F	49°F	68°F	0.24 in.	105°F (1958)	26°F (1950)
June	96°F	58°F	77°F	0.51 in.	111°F (1973)	33°F (1972)
July	95°F	65°F	80°F	3.49 in.	110°F (1958)	37°F (1952)
August	93°F	64°F	78°F	3.16 in.	107°F (1944)	48°F (1983)
September	90°F	57°F	74°F	1.73 in.	105°F (1948)	35°F (1945)
October	81°F	46°F	64°F	1.34 in.	99°F (1980)	20°F (1971)
November	71°F	33°F	52°F	0.50 in.	90°F (1947)	12°F (1957)
December	63°F	28°F	46°F	0.82 in.	84°F (1954)	-7°F (1978)

Source: The Weather Channel ©

Climate

Benson is at an elevation of 3,580 feet. The average monthly temperature ranges from an average low of 28°F in December to an average high of 96°F in June. The record low of -7°F was observed in December 1978. The record high is 111°F, observed in June 1973. The average monthly precipitation ranges from 0.24 inches in May to 3.49 inches in July.

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: Rates as of February 1, 2011. Source: Arizona Department of Revenue and Cochise College Center for Economic Research.

BENSON PROPERTY TAX RATES (PER \$100 ASSESSED VALUE), 2010-2011

DISTRICT	PRIMARY	SECONDARY	TOTAL
City of Benson	0.4577	—	0.4577
Benson Unified School District	2.1451	2.0982	4.2433
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*	1.5984	—	1.5984
Arizona Fire District Assistance Tax**	—	0.07910	0.07910
Arizona School District Assistance Tax**	0.3564	—	0.3564
TOTAL	7.1852	3.5321	10.7173

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.

Seasonal Visitors

Benson is a winter refuge for people from colder climates, commonly referred to as “snowbirds.” Many of these winter visitors reside in RV/travel trailer parks. As of the 2005-2009 American Community Survey, 9.3 percent of the housing units in Benson were classified under the category of “Boat, RV, van, etc.” compared to only 1.2 percent countywide. The presence of seasonal visitors residing in RV parks between October and March of each year is a unique characteristic of Benson that contributes considerably to the city’s culture, as well as its economy.

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 (note: The state and county combined tax for hotel/motel stays is 6.05 percent). Construction contracting in the city is taxed at 4 percent, for a total rate of 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 was \$10.7173 per \$100 assessed value as of August 2010 (rates are established the third Monday in August each year). This was down from \$11.6123 the year prior. The property tax levied by the City of Benson for 2010-2011 was \$0.4577 per \$100 of assessed value, the second lowest rate of the seven incorporated areas of Cochise County (behind only Sierra Vista).

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

- **20 percent:** Mines and mining claim property, and standing timber; local telecommunications service, gas, water, and electric utility company property; pipeline



Benson Visitor Center
Photo: Benson Visitor Center

company property producing oil; gas property; and commercial and industrial real property not included in other classes.

- **21 percent:** Railroad operating property, private car company property, and airline flight property.
- **16 percent:** Agricultural real property, golf courses, and vacant
- **10 percent:** Owner-occupied residential property and leased or rented residential property.
- **5 percent:** Noncommercial historic property, foreign trade zone property, qualifying military reuse zone property, qualifying enterprise zone property, qualifying environmental technology property, and qualifying environmental remediation property.
- **1 percent:** Possessor interests and improvements to commercial historic or historic residential rental property (for up to 10 years).

Crime Rate

The crime rate in Benson in 2008 was 32.6 crimes per 1,000 residents, down considerably from 53.5 in 2006 and 50.3 in 2007. From 2003 through 2006, the city’s crime rate increased each year. The year 2007 saw the first decline in several years, and was the city’s lowest crime rate since 2004. The crime rate in 2008 dropped even further.

The crime rate reflects data reported in the Federal Bureau of Investigation’s (FBI) Uniform Crime Report and includes violent crimes (murder and non-negligent manslaughter, forcible rape, robbery, and aggravated assault), property crimes (burglary, larceny-theft, and motor vehicle theft), and arson, which is reported separately.

BENSON CRIME RATE (PER 1,000 RESIDENTS)

2004	45.8
2005	52.1
2006	53.5
2007	50.3
2008	32.6

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

CRIME RATE (PER 1,000 RESIDENTS), 2008

LOCATION	POPULATION	VIOLENT CRIME	PROPERTY CRIME	ARSON	TOTAL CRIME	CRIME RATE (PER 1,000 RESIDENTS)
United States	304,059,724	1,382,012	9,767,915	N/A	11,149,927	36.7
Arizona	6,629,455	29,059	278,920	N/A	307,979	46.5
Cochise County	139,434	N/A	N/A	N/A	N/A	*32.1
Benson	5,030	10	154	0	164	32.6
Bisbee	6,389	48	254	1	303	47.4
Douglas	18,207	31	656	1	688	37.8
Huachuca City	1,952	6	39	4	49	25.1
Sierra Vista	45,908	111	1,418	13	1,542	33.6
Tombstone	1,709	N/A	N/A	N/A	N/A	N/A
Willcox	3,904	15	173	10	198	50.7
Unincorporated Areas	56,336	446	1,027	10	1,483	26.3

N/A = Data not available. *Estimated by the Cochise College Center for Economic Research based on reporting for all areas except Tombstone and the unincorporated areas. Source: Federal Bureau of Investigation, Uniform Crime Reports; U.S. Census Bureau; Arizona Department of Commerce; and Cochise College Center for Economic Research.



A view of Benson
Photo: Benson Visitor Center

Economic development

Benson is located along several trade routes: Interstate 10, State Route 80, State Route 90, and the main line of the Union Pacific Railroad. In recent years, Benson, along with the unincorporated areas of Cochise County just outside the city limits, has been eyed by developers for large-scale, master planned communities. Developers see Benson as a vital link between Tucson to the west and Sierra Vista/Fort Huachuca to the south. Entitlements currently exist for the construction of more than 20,000 homes in the area. At full build-out this would make Benson the largest city in Cochise County. The first major step toward build-out began in 2006 when the city issued 104 new home permits, compared to only 12 permits issued over the entire preceding 5-year period. In anticipation of growth in the area, Wal-Mart opened a 99,000 square-foot Supercenter in Benson in late 2006. Although growth has not proceeded at the fast pace once anticipated, the city and area remain poised for considerable growth over the next several decades.

The economy of Benson is dependent on tourism, as well as accommodation and restaurant and bar patronage from traffic along Interstate 10 and state routes 80 and 90. The city also supports a large retired population and is a winter refuge for people from colder climates. With the 2006 opening of the Wal-Mart Supercenter, Benson is positioned to become the major retail center of northern Cochise County, serving residents of the county as well as those residing in eastern Pima County and southern Graham County. With the anticipated construction of thousands of homes in the Benson area over the next several decades, construction will also be a major contributor to Benson's economy.

The Benson City Council established the Economic Development Subcommittee and charged it with creating a policy statement in the form of a strategic plan to identify the resources it will take to build a competitive economy and define the city's economic development goals. In 2009, in its economic development strategic plan, the city outlined several strategic goals. These included:

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 of Benson has created 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 on the city's economic development efforts, visit www.cityofbenson.com.

Benson/San Pedro Valley Chamber of Commerce

The Benson/San Pedro Valley Chamber of Commerce serves as an advocate to support and promote business in the greater Benson area. The chamber is a professional membership organization comprising local and regional businesses and individuals and represents the interests of its members. The chamber helps coordinate services offered by the Cochise College Small Business Development Center for its members, including small business training, business plan development, and access to small business development funds. The chamber also promotes three festivals in Benson: Bluegrass in the Park in April, Christmas on Main Street in December, and Butterfield Days in October. For more information, call (520) 586-2842 or visit www.bensonchamberaz.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. SAEDG believes the prosperity of Southeast Arizona depends on the stability and vitality of all area businesses, big and small, and that expanding and strengthening economic activity throughout the region ensures healthier communities. 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.

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. The REDI program provides both technical and matching fund assistance.

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

Arizona Enterprise Zone Program

Benson is located in the Cochise County Enterprise Zone, currently in effect through 2011. This zone also includes the communities of Bisbee, Douglas, Huachuca City, Tombstone, Willcox, portions of Sierra Vista, and the county's unincorporated areas. Companies that locate to enterprise

zones may be eligible to benefit from two tax incentive programs.

The Enterprise Zone program provides for an income and premium tax credit for net increases in qualified employment positions at a site located in the enterprise zone, except for those at a business location where more than 10 percent of the activity is the sale of tangible personal property at retail. Tax credits may total up to \$3,000 per qualified employment position over 3 years, for a maximum of 200 employees in any tax year. A qualified employment position is a fulltime permanent job (1,750 hours per year), pays an hourly wage above the “Wage Offer by County” (\$9.91 in 2011 for the Cochise County Enterprise Zone), and provides health insurance to employees for which the employer pays at least 50 percent.

The program also provides for property tax benefits in conjunction with property reclassification for qualified manufacturing businesses locating or expanding facilities in the enterprise zone. A manufacturer in an enterprise zone is eligible for an assessment ratio of 5 percent on all personal and real property (for primary tax purposes only) in the zone for 5 years if it is: (1) either minority-owned, woman-owned, or small (as defined by Enterprise Zone program rules); and (2) makes an investment in fixed assets in the zone of \$500,000 for cities with a population of less than 15,000, or \$1 million for cities with a population between 15,000 and 80,000 (in Cochise County, the latter includes only Sierra Vista and Douglas as of 2011). For more information on the Enterprise Zone program, contact the Cochise County Enterprise Zone Administrator at (520) 432-9215 or by email at gmotter@cochise.az.gov, or the Arizona Enterprise Zone Administrator at (602) 771-1236, or visit www.azcommerce.com.



Benson High School

Education

Primary and Secondary Education

BENSON UNIFIED SCHOOL DISTRICT

The Benson Unified School District (BUSD) serves a geographic area that encompasses over 200 square miles. The district has five schools: Benson Primary School (preschool through grade 4); Benson Middle School (grades 5-8); Benson High School (grades 9-12); San Pedro Valley High School (grades 9-12), which is a charter school sponsored by the district, using an alternative web-based instructional model; and 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.

In 2010, BUSD employed 149 fulltime equivalent (FTE) employees making it the 36th largest employer in Cochise County and the third largest in Benson. The district's average daily membership (ADM), a prime determinant of state-level funding, has increased each year in recent years, reaching 1,087 in 2009-2010, up 14 percent from 2005-2006.

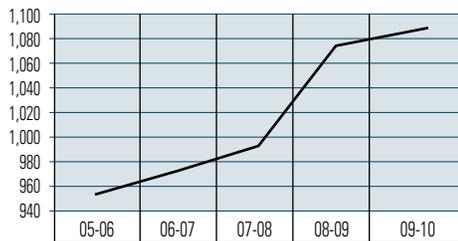
Arizona Learns, a program within the Arizona Department of Education, evaluates each Arizona school and assigns a rating with respect to the school's achievement in meeting or exceeding the Arizona Standards of Education. The ratings include excelling, highly performing, performing plus, performing, underperforming, and failing. Ratings are issued each fall for the previous year. For the 2009-2010 school year, Benson High School was rated highly performing, and Benson Primary School and Benson Middle School were each rated performing plus. San Pedro Valley High

BENSON UNIFIED SCHOOL DISTRICT ARIZONA LEARNS RATINGS

SCHOOL	2009/2010	2008/2009
Benson High School (9-12)	Highly Performing	Highly Performing
Benson Middle School (5-8)	Performing Plus	Highly Performing
Benson Primary School (pre-K-4)	Performing Plus	Highly Performing
San Pedro Valley High School (9-12)*	Performing	Performing

*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. Source: Arizona Department of Education.

BENSON UNIFIED SCHOOL DISTRICT AVERAGE DAILY MEMBERSHIP



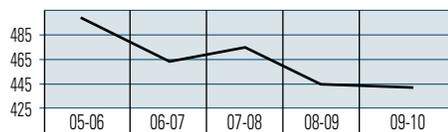
Source: Arizona Department of Education.

ST. DAVID UNIFIED SCHOOL DISTRICT ARIZONA LEARNS RATINGS

SCHOOL	2009/2010	2008/2009
St. David High School (9-12)	Highly Performing	Highly Performing
St. David Elementary School (pre-K-8)	Performing	Performing Plus

Source: Arizona Department of Education.

ST. DAVID UNIFIED SCHOOL DISTRICT AVERAGE DAILY MEMBERSHIP



Source: Arizona Department of Education.

BENSON AREA CHARTER SCHOOLS ARIZONA LEARNS RATINGS

SCHOOL	2009/2010	2008/2009
New West Schools (K-8)	Performing	Performing
Visions Unlimited Academy (K-8)	Performing	Performing

Source: Arizona Department of Education.

School was rated performing—the highest rating an alternative high school can receive under the program.

In fiscal year 2010, the student/teacher ratio in BUSD was 16.5, which was below the statewide average of 17.9 but above the peer average of 15.4. The average years of experience for teachers at BUSD in 2010 was 12.4, compared to 10.6 statewide and a peer average of 11.1. The district's graduation rate in 2009 was 81 percent, which was higher than the statewide and peer averages of 76 and 80 percent, respectively. BUSD spent an average of \$7,901 per student in 2010, compared to the statewide average of \$7,609 and a peer average of \$8,776. From 2006 to 2010, total spending per pupil increased by 15 percent. Spending in the classroom over the 5-year period declined from 57.8 to 54.4 percent of total spending.

BUSD recently completed a \$6 million bond building project that provided numerous campus improvements. In 2011, the BUSD Governing Board authorized the sale of an additional \$3 million in bonds for continued campus upgrades. Since 2009, the BUSD has prioritized technology upgrades for both staff and students. For more information, visit www.bensonsd.k12.az.us.

ST. DAVID UNIFIED SCHOOL DISTRICT

St. David Unified School District (SDUSD) consists of St. David Elementary School (preschool through grade 8) and St. David High School (grades 9-12). Under *Arizona Learns*, St. David High School was rated highly performing and St. David Elementary School was rated performing for the 2009-10 school year. District-wide ADM decreased from 495 students in 2005-2006 to 441 in the 2009-2010 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 through a partnership with Cochise College, include nursing, history, advanced chemistry, advanced computer maintenance, culinary arts, and welding. The FCCLA (family and career science) students received gold, silver, and bronze medals at national competitions from 2007 to 2011; the business program (DECA) had state winners who advanced to the national competition in both 2010 and 2011; and the FFA had 4 students place in the top 10 in their respective categories in the 2011 state competition.

The district offers an elementary after-school literacy program and after-school tutoring for all levels. In addition, there are the traditional middle/high school athletic programs and extracurricular activities; two preschool classes on campus for children ages 3 and 4; and a weight room which is open to the community during the week from 5:30 to 7:30 pm. The district has an annual agreement with the community Farmer's Market, which is held on campus each Saturday from May 1 through October 31st.

In fiscal year 2010, the student/teacher ratio in SDUSD was 13.8, considerably below the peer and statewide average of 17.9. The average years of experience for teachers at SDUSD in 2010 was 13.5, compared to 10.6 years statewide and a peer average of 11.1 years.

The district’s graduation rate in 2009 was 85 percent, compared to 76 percent statewide and a peer average of 80 percent.

SDUSD spent an average of \$8,965 per student in 2010, above the statewide average of \$7,609 but below the peer-group average of \$9,887. From 2006 to 2010, total spending per pupil increased by 6 percent. Spending in the classroom over the 5-year period decreased from 58.8 to 56 percent.

SDUSD could be impacted by population growth projected for the Benson area. Most of the new construction projected for the Highway 90 corridor will occur within the boundaries of SDUSD. The close proximity of St. David to Benson may lead some families residing within the boundaries of the Benson district to opt to send their children to St. David schools, and vice versa. For more information on SDUSD, visit www.stdavidschools.org.

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 enrolled 42 students, while Visions Unlimited Academy enrolled 36, in the 2009-2010 school year. Both schools were rated performing under Arizona Learns for school year 2009-2010. To learn more about New West Schools visit, www.ade.az.gov. To learn more about Visions Unlimited Academy, visit www.visionsunlimitedacademy.com.

Post-secondary 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 began offering evening classes in Benson at Benson High School in 1967. In 1998, the state provided \$1 million to support construction of the 13,000 square-foot Cochise College Benson Center, which opened in August 2000. The 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

GREATER BENSON AREA PRIMARY AND SECONDARY SCHOOL ENROLLMENT

SCHOOL	2007/2008	2008/2009	2009/2010
Benson Unified School District	1,045	1,120	1,142
Benson High School (9-12)	364	377	364
Benson Middle School (5-8)	278	310	332
Benson Primary School (pre-K-4)	365	397	418
San Pedro Valley High School (9-12)*	38	36	28
St. David Unified School District	502	474	472
St. David High School (9-12)	139	137	127
St. David Elementary School (pre-K-8)	363	337	345
Charter Schools	N/A	99	78
New West Schools (K-8)	30	37	42
Visions Unlimited Academy (K-8)	N/A	62	36

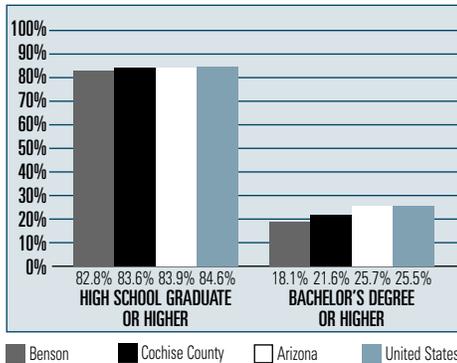
*San Pedro Valley High School is a charter alternative high school sponsored by the Benson Unified School District. N/A = Data not available. Note: Figures reflect enrollment as of October 1 of each school year. Source: Arizona Department of Education.

PER PUPIL SPENDING BY FUNCTION

	BENSON UNIFIED SCHOOL DISTRICT	ST. DAVID UNIFIED SCHOOL DISTRICT	ARIZONA	UNITED STATES
Total	\$7,901	\$8,965	\$7,609	\$10,297
Classroom Dollars	\$4,295	\$5,021	\$4,253	\$6,262
Non-classroom Dollars	\$3,606	\$3,944	\$3,356	\$4,035
Administration	\$933	\$1,006	\$721	\$1,109
Plant Operations	\$1,058	\$1,114	\$914	\$1,003
Food Service	\$330	\$251	\$366	\$390
Transportation	\$484	\$314	\$342	\$438
Student Support	\$592	\$1,203	\$581	\$556
Instruction Support	\$209	\$56	\$432	\$539

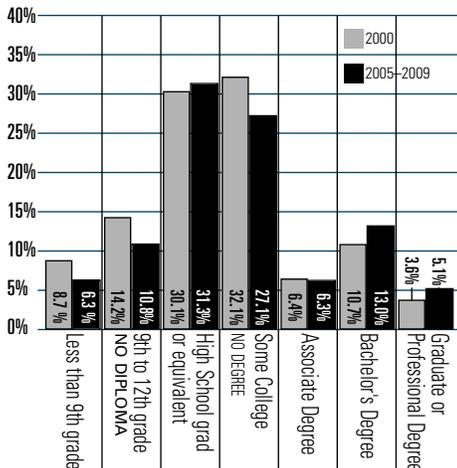
Note: Data for the Benson and St. David unified school districts and Arizona are from fiscal year 2010; national figures are from 2008. Source: Arizona Office of the Auditor General.

EDUCATIONAL ATTAINMENT COMPARISONS



*Population 25 years and older. Source: U.S. Census Bureau, 2005-2009 American Community Survey 5-Year Estimates; and Cochise College Center for Economic Research.

BENSON EDUCATIONAL ATTAINMENT



*Population 25 years and older. Source: U.S. Census Bureau, Census 2000 and 2005-2009 American Community Survey 5-Year Estimates; and Cochise College Center for Economic Research.

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. In 2006, Cochise College earned the maximum re-accreditation of 10 years as the result of an exceptional evaluation by the visiting accreditation team. To learn more about Cochise College, visit www.cochise.edu.

Educational Attainment

Of Benson's population aged 25 years and older, 82.8 percent had at least a high school diploma or equivalent as of the 2005-2009 American Community Survey (ACS), compared to 83.6 percent countywide, 83.9 percent statewide, and 84.6 percent nationwide. Approximately 18.1 percent of Benson residents held a bachelor's degree or higher during the 2005-2009 ACS, compared to 21.6 percent at the county level, 25.7 percent statewide, and 25.5 percent nationwide.

Between Census 2000 and the 2005-2009 ACS, the proportion of Benson residents ages 25 years and older with less than a 9th grade education decreased from 8.7 to 6.3 percent. At the same time, the proportion with a 9th to 12th grade education, but without a high school diploma, dropped from 14.2 to 10.8 percent, and the proportion of high school graduates (or equivalent) increased from 30.1 to 31.3 percent. The proportion of residents with some college, but no degree, after nearly doubling from 1990 to 2000, decreased from 32.1 to 27.1 percent; those with an associate degree decreased from 6.4 to 6.3 percent; those with a bachelor's degree increased from 10.7 to 13 percent; and those with a graduate or professional degree increased from 3.6 to 5.1 percent. (Note: The education levels shown represent the highest level attained.)

The overall trend in educational attainment in Benson between Census 2000 and the 2005-2009 ACS was toward higher levels of education, with most of the increase occurring in the proportion of residents having earned a bachelor's degree or higher.



Benson Hospital

Healthcare

Benson Hospital

Benson Hospital opened at its current site in 1970 as a small community hospital meeting the needs of patients in the area. Today, the majority of the hospital's care is provided through its emergency department due in large part to the hospital's location near the junction of Interstate 10 and State Routes 80 and 90, as well as changes in how society accesses healthcare. With the influx of hundreds of winter visitors and many new permanent residents, outpatient use of laboratory, radiology, rehabilitation, and respiratory therapy has increased considerably in recent years.

The staff at Benson Hospital includes seven local physicians, one physician's assistant, and specialists in cardiology and pulmonology who see patients on specified days. Over the years, specialists in other areas of medicine including mammography and orthopedics have been available at the hospital campus. Availability of specialties varies with economic changes in healthcare.

Benson Hospital provides 24-hour emergency care. The emergency physician and nursing staff are specially trained to provide emergency trauma, cardiac, and respiratory care. Based on the needs of the patient, a quick transfer can be made to nearby facilities. In 2007, the emergency department was expanded to accommodate eight beds, secured admitting, CT scanning, and an isolation room with separate entrance.

In 2010, Benson Hospital opened a new clinic staffed by a board-certified family medicine physician. The clinic provides diagnosis and treatment of general medical conditions for people of all ages. It is open as a walk-in clinic, as well as for same-day appointments to those needing immediate care for non-life-threatening illnesses and injuries, including those who cannot get in immediately to see their primary care physician. Patients who do not have a life-threatening condition can save time and money by using the clinic as an alternative to an emergency room.

Benson Hospital 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 wide 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 most common diagnoses treated are cardiac and respiratory. On-site laboratory, imaging, and respiratory therapy services provide test results to physicians so that treatment can be initiated without delay. Reports can be transmitted to healthcare providers in other communities within or outside the state. Technical staff at the hospital includes certified technologists, technicians, and various technical assistants.

The hospital offers physical, occupational, and speech therapies to restore normal function, improve mobility, and help patients achieve a greater degree of independence. This care is provided in a variety of settings, including at the hospital, nursing homes, patient homes, and work sites in Benson and surrounding areas. Occupational therapists at the hospital use functional activities such as dressing, personal hygiene, and leisure interests, as well as therapeutic modalities and exercise, to help patients achieve a high level of independence in activities of daily living. They also treat a variety of upper extremity disorders and provide splinting services. Speech/language pathologists at the hospital use a wide range of language activities to treat communication disorders and evaluate swallowing disorders.

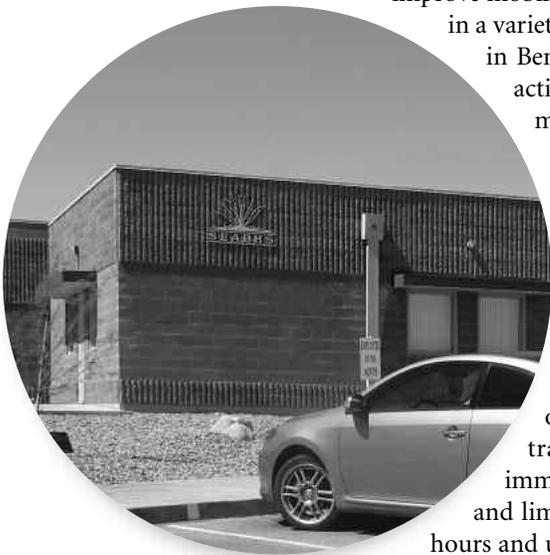
The Benson Hospital Laboratory exists to serve the mission of the Benson Hospital, and to serve the medical testing needs of the San Pedro Valley Hospital District population. Testing is confined to medically necessary analytes, as determined by licensed medical providers. The laboratory is staffed and equipped to offer state of the art testing. Such testing encompasses chemistry, blood banking, transfusion services, hematology, urinalysis, coagulation, toxicology, immunochemistry, therapeutic drug monitoring, medically related drug of abuse testing, and limited microbiology. The laboratory strives to have routine results available within 2 hours and urgent results available within 1 hour.

Testing not done at Benson Hospital is collected and forwarded to an appropriate reference laboratory facility. Regular courier service is provided Monday through Saturday. Results are typically available within 24 to 48 hours. In urgent cases, testing can be sent via local on-call courier to Tucson laboratory facilities with results available within 2 to 3 hours. Results are generated via the Laboratory Information System, which forwards to providers computer to computer, or by fax. Results are also sent to remote printers, mailed, or phoned when appropriate.

Benson Hospital Laboratory is registered with the Center for Medicare Services through the Clinical Laboratory Improvement Act (CLIA) as a Full Service Laboratory offering High Complexity Testing. The laboratory is certified by the State of Arizona Department of Clinical Laboratory Licensure and inspected biennially. The laboratory has held its licensure since the inception of the CLIA program.

The Nutrition Services Department assists patients in meeting nutritional needs and goals. Each patient admitted to the hospital is assessed by the department and an individual diet plan is developed. Patients are reassessed throughout their hospital stay and the diet plan is updated as needed. The department provides nutritional assessment, assessment of food/drug interactions, and lab value screening for nutritionally meaningful values. Special needs and patient education are provided by a registered dietitian by referral from their primary care physician.

Benson Hospital is one of the rural Arizona hospitals participating in Teletrauma with the University Medical Center (UMC) in Tucson. When required, the program connects a trauma surgeon at UMC with the rural emergency room physician by remote technology. Teleradiology is currently used at Benson Hospital, and telecardiology and teledermatology are being developed for use in the near future. For more information, visit www.bensonhospital.org.



SEABHS

Good Samaritan Society—Quiburi Mission

The Good Samaritan Society—Quiburi Mission is a 60-bed Medicare-certified skilled nursing center located in Benson. In addition to the skilled nursing center, Quiburi offers two apartments for seniors. Quiburi Mission is owned and operated by the Evangelical Lutheran Good Samaritan Society, a Christian, not-for-profit organization headquartered in Sioux Falls, S.D. that operates more than 240 locations nationwide. Quiburi Mission provides shelter and supportive services to older persons and others in need. Services include activities onsite to residents; administration and storage of blood services offsite to residents; clinical laboratory services offsite to residents; dental services offsite to residents; dietary services onsite to residents and nonresidents; housekeeping services onsite to residents; mental health services onsite and offsite to residents; nursing services onsite to residents; occupational therapy services onsite to residents; pharmacy services onsite to residents; physical therapy services onsite to residents; physician services onsite to residents; podiatry services onsite and offsite to residents; social work services onsite to residents; speech/language pathology services onsite to residents; and diagnostic x-ray services offsite to residents. In 2009, Quiburi Mission constructed a new facility to house and treat

persons in advanced stages of Alzheimer's disease. For more information, visit www.good-sam.com or call (520) 586-2372.

Southeastern Arizona Behavioral Health Services & Cenpatico

Southeastern Arizona Behavioral Health Services, Inc. (SEABHS) is a private, not-for-profit behavioral health organization serving adults and children from Cochise, Santa Cruz, Graham, and Greenlee counties. SEABHS maintains administrative offices, an outpatient location, a 24 hour psychiatric health facility, the Southeastern Arizona Substance Abuse Continuum, and the Partial Care Program/Housing in Benson. A limited sliding fee scale is available to qualified individuals. Private insurance is accepted. SEABHS also offers many community based services free of charge. For more information, visit www.seabhs.org.

In late 2010, Cenpatico took over as the regional health authority funded through a contract with the Arizona Department of Health Services/Division of Behavioral Health Services and the Arizona Health Care Cost Containment System. Cenpatico oversee SEABHS, Arizona Counseling and Treatment Services, Community Bridges, and Caring Connections for Special Needs. For more information, visit www.cenpatico.com.

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.



The San Pedro Valley Arts and Historical Society
Photo: Benson Visitor Center

Demographics

Population Estimates and Projections

As of Census 2010, the population of Benson was 5,105, up 8.4 percent from Census 2000. Although Benson grew at a slower rate than Cochise County overall from 2000 to 2010, Benson was the fastest-growing city in the county in the second half of the decade due to a surge in residential construction, which, despite the housing market downturn, remained well above historical levels. Although the population of Benson is 5,105, the Benson area includes nearby unincorporated areas that create a community of more than 12,000 according to Arizona Department of Commerce estimates. This includes the city of Benson, the unincorporated area of St. David, and surrounding areas.

With the recent spike in construction and several planned developments in the city, Benson is likely to remain one of the fastest-growing areas in the county over the next several years. Developers have looked to Tucson and Sierra Vista/Fort Huachuca to provide a market for new homes built in the Benson area. The Cochise College Center for Economic Research (CER) projects Benson's population will grow at an average rate of 1.5 percent per year over the next few years, reaching 5,499 in 2015. According to CER projections, Cochise County's population will grow by an average annual rate of 1 percent over the next few years, reaching 138,142 in 2015.

Race and Ethnicity

According to the 2005-2009 American Community Survey, 17 percent of Benson's population is Hispanic/Latino (of any race), compared to 31.5 percent for all of Cochise County and 29.8 percent statewide. Nationally, Hispanics/Latinos accounted for 15.1 percent of the population from 2005 to 2009.

From 2005 to 2009, Benson’s population was 91.3 percent White; 0.4 percent Black or African American; 1 percent American Indian or Alaska Native; 0.2 percent Asian; 0.4 percent Hawaiian or other Pacific Islander; and 6.8 percent other (including two or more races combined).

(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. Shifts in racial and ethnic composition do not necessarily represent changing demographics alone, but may include differences in how residents choose to classify themselves.)

Age Groups

According to the U.S. Census Bureau, the median age of Benson’s population from 2005 to 2009 was 55.5 years, considerably higher than 40.4 years for all of Cochise County and 34.8 years statewide. From 2005 to 2009, 38.4 percent of Benson’s population was aged 62 years or older, and 35.4 percent was aged 65 years or older. The largest age group in Benson from 2005 to 2009 was the 65-74 year group, which accounted for 18.5 percent of the city’s population. This was followed by the 75-84 year group at 13.8 percent, the 45-54 year group at 12 percent, and the 55-59 year group at 11.6 percent.

Household Characteristics

According to the 2005-2009 American Community Survey, the average Benson household size is 2.19 persons, down from 2.22 in 2000 and 2.37 in 1990. The declining household size in Benson is attributable to the growing population of those aged 55 and older who tend to have smaller household sizes.

Of total Benson households, 64.1 percent were classified as family households as of the 2005-2009 American Community Survey, 16.4 percent had individuals under the age of 18, and 48.7 percent had individuals aged 65 years or older. A total of 2.1 percent of Benson households were headed by single mothers of children under the age of 18, compared to 6.7 percent countywide and 7.2 percent statewide.

As of the 2005-2009 American Community Survey, approximately 73.7 percent of Benson’s population aged 1 year and older had resided in the same house for at least 1 year. Approximately 5.9 percent had relocated to the city within the previous year from outside Cochise County.

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%

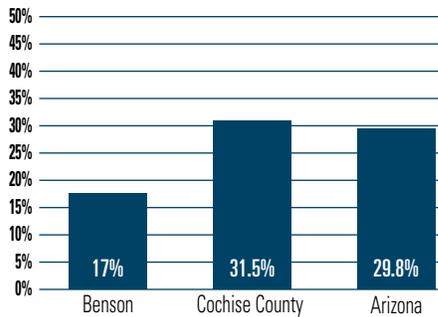
Source: U.S. Census Bureau and Cochise College Center for Economic Research.

POPULATION PROJECTIONS

YEAR	BENSON	% GROWTH	COCHISE COUNTY	% GROWTH
2011	5,184	1.5%	132,705	1.0%
2012	5,263	1.5%	134,064	1.0%
2013	5,341	1.5%	135,423	1.0%
2014	5,420	1.5%	136,782	1.0%
2015	5,499	1.5%	138,142	1.0%

Source: Cochise College Center for Economic Research.

HISPANIC/LATINO POPULATION

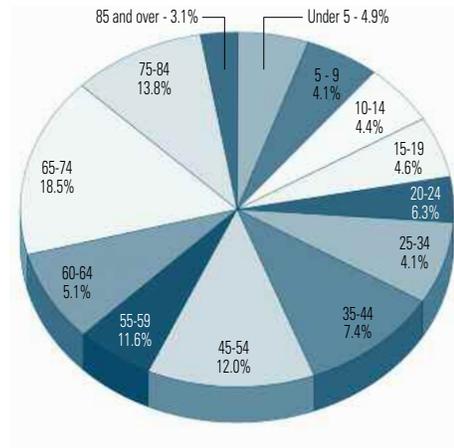


Note: The U.S. Census Bureau considers Hispanic an ethnicity, not a race; thus, there is no separate racial classification for Hispanic. According to the Census Bureau, people identifying themselves as Hispanic may be of any race. Source: U.S. Census Bureau, 2005-2009 American Community Survey 5-Year Estimates; and Cochise College Center for Economic Research.

Income

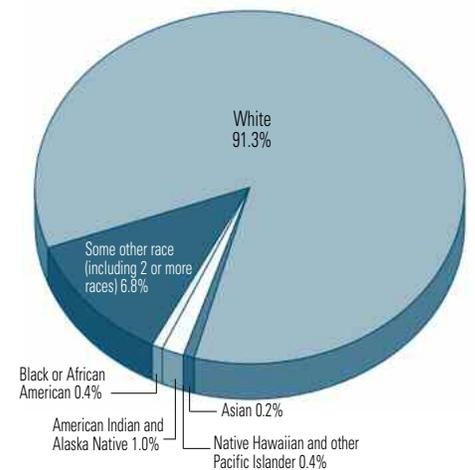
The median household income in Benson in 2005-2009 was \$36,345 (in 2009 dollars), considerably lower than the county, state, and national levels. The median family income for Benson in 2005-2009 was \$50,645, also lower than the county, statewide, and national levels. The Benson per capita income in 2005-2009 was also lower at \$19,953.

BENSON AGE GROUP DISTRIBUTION



Source: U.S. Census Bureau, 2005-2009 American Community Survey 5-year Estimates; and Cochise College Center for Economic Research.

BENSON RACIAL GROUP DISTRIBUTION



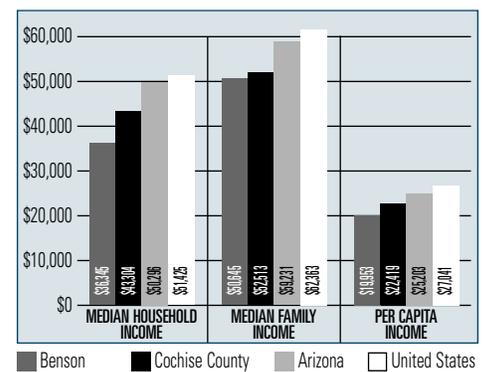
Note: Discrepancies are due to rounding. The U.S. Census Bureau considers Hispanic an ethnicity, not a race; thus, there is no separate racial classification for Hispanic. According to the Census Bureau, people identifying themselves as Hispanic may be of any race. Source: U.S. Census Bureau, 2005-2009 American Community Survey 5-Year Estimates; and Cochise College Center for Economic Research.

BENSON CHANGES IN AGE GROUP DISTRIBUTION

	2000	2005-2009
Under 5	5.3%	4.9%
5 to 9	5.5%	4.1%
10 to 14	5.7%	4.4%
15 to 19	5.5%	4.6%
20 to 24	4.3%	6.3%
25 to 34	7.4%	4.1%
35 to 44	10.6%	7.4%
45 to 54	12.4%	12.0%
55 to 59	6.0%	11.6%
60 to 64	8.2%	5.1%
65 to 74	16.4%	18.5%
75 to 84	10.0%	13.8%
85 and over	2.9%	3.1%

Source: U.S. Census Bureau, Census 2000 and 2005-2009 American Community Survey 5-Year Estimates; and Cochise College Center for Economic Research.

INCOME COMPARISONS



Note: All figures expressed in 2009 dollars. Source: U.S. Census Bureau, 2005-2009 American Community Survey 5-Year Estimates; and Cochise College Center for Economic Research.



Wal-Mart Supercenter

Employment

Employment, Unemployment, Labor Force, and Job Growth

In 2010, Benson's unemployment rate was 14.5 percent, according to estimates by the Arizona Department of Commerce (ADOC). This was considerably above the countywide rate of 8.2 percent and the statewide rate of 9.6 percent. Nationwide, the unemployment rate in 2010 was 9.7 percent.

ADOC employment estimates for the individual cities in Cochise County are based on a model that pegs city employment to county-level employment based on data from Census 2000. The model does not pick up changes at the city level since 2000 that differ from trends at the county level. Cochise College Center for Economic Research (CER) focus group discussions in Benson indicate a healthier labor market than suggested by the ADOC estimates. Factors that have increased employment in Benson in recent years include the opening of the new Wal-Mart Supercenter in late 2006, which added more than 200 jobs to the city, and continued strength of residential construction in the city.

According to ADOC estimates, Benson's civilian labor force in 2010 consisted of 2,749 potential workers, of whom 2,350 were employed. The civilian labor force consists of those persons aged 16 years and older who either are employed or are actively seeking work, and excludes active duty military personnel. In addition to Benson's labor force of 2,749, the city draws from the labor forces of surrounding communities, including St. David and other nearby unincorporated areas. Countywide, the 2010 civilian labor force, according to the ADOC estimates, included 64,425 actual or potential workers, of whom 59,050 were employed.

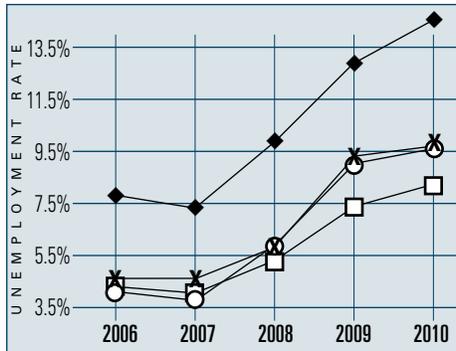
According to ADOC estimates, job growth in Benson in 2010 was 0.6 percent, reflecting a net gain of 14 jobs over the year. ADOC figures likely underestimate the number of jobs in the city. The opening of the Wal-Mart Supercenter in November 2006 created more than 200 new jobs in Benson.

UNEMPLOYMENT RATE

	BENSON	COCHISE COUNTY	ARIZONA	UNITED STATES
2006	7.8%	4.4%	4.1%	4.6%
2007	7.3%	4.0%	3.8%	4.6%
2008	9.9%	5.3%	5.9%	5.8%
2009	12.9%	7.4%	9.0%	9.3%
2010	14.5%	8.2%	9.6%	9.7%

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

UNEMPLOYMENT RATE



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

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

	CIVILIAN LABOR FORCE	EMPLOYMENT	UNEMPLOYMENT	JOB GAINS	JOB GROWTH RATE
2006	2,337	2,153	184	58	2.8%
2007	2,363	2,191	172	38	1.8%
2008	2,525	2,274	251	83	3.8%
2009	2,702	2,336	366	62	2.7%
2010	2,749	2,350	399	14	0.6%

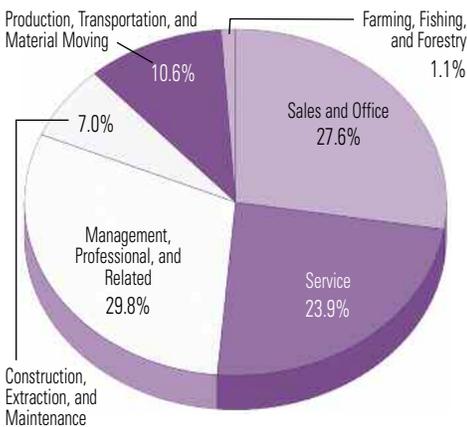
Source: Arizona Department of Commerce and the Cochise College Center for Economic Research.

While there may have been some job losses experienced by Wal-Mart competitors, it is unlikely to have been of sufficient degree to result in a net gain of only 58 jobs in Benson in 2006, as suggested by ADOC estimates.

Occupations and Classes of Workers

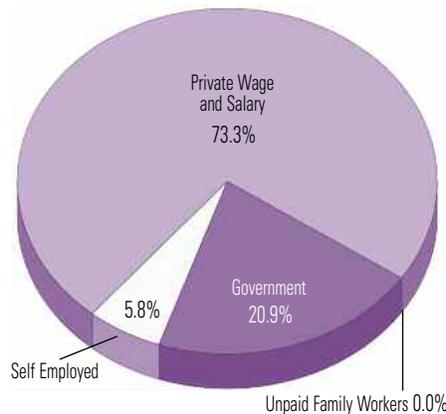
According to data collected during the 2005-2009 American Community Survey (ACS) conducted by the U.S. Census Bureau, of those workers in Benson aged 16 years or older, 29.8 percent were employed in management, professional, and related occupations, 27.6 percent were employed in sales and office occupations, and 23.9 percent were employed in service occupations. Production, transportation, and material moving occupations employed 10.6 percent of Benson's workers, while construction, extraction, and maintenance occupations employed 7 percent, and farming, fishing, and forestry occupations employed 1.1 percent. Of Benson workers, 73.3 percent were private wage and salary workers as of the 2005-2009 ACS, while 20.9 percent were government workers. Self-employed workers in unincorporated businesses accounted for 5.8 percent of Benson workers.

BENSON OCCUPATIONS, 2005-2009



Source: U.S. Census Bureau, 2005-2009 American Community Survey 5-Year Estimates; and Cochise College Center for Economic Research.

BENSON CLASSES OF WORKERS, 2005-2009



Source: U.S. Census Bureau, 2005-2009 American Community Survey 5-Year Estimates; and Cochise College Center for Economic Research.

INDUSTRIES IN BENSON, 2005-2009 (BY SHARE OF WORKFORCE)



Note: Includes only those industries comprising at least 5 percent of the workforce. Source: U.S. Census Bureau, 2005-2009 American Community Survey 5-Year Estimates; and Cochise College Center for Economic Research.

Industries

The industry grouping employing the largest number of Benson workers, as of the 2005-2009 ACS, was arts, entertainment, recreation, accommodation, and food services, which employed approximately 19.7 percent. This was followed by retail trade (17.5 percent), educational, health and social services (16.6 percent), transportation and warehousing, and utilities (11.2 percent), public administration (8.3 percent), manufacturing (6.5 percent), and other services (6.2 percent). All other industries each employed fewer than 5 percent of Benson workers as of the 2005-2009 ACS.

Major Employers

In 2010, 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 306 FTE employees in 2010. The second largest employer was Wal-Mart, which employed 230 FTE employees. The Benson Unified School District held the third-ranked position with 149 FTE employees. Benson Hospital Corporation was fourth with 125. Southeastern Arizona Behavioral Health Services was the fifth-largest employer with 120 FTE employees. The list of top employers in Benson includes only those employers who responded to the CER’s Annual Top Employers Survey, conducted in July each year.

Most private-sector employers in the Benson area are small businesses. According to the U.S. Census Bureau, nearly 90 percent of all business establishments in Benson with employees employed fewer than 20 workers each in 2008. More than half of all businesses with employees employed fewer than 5 workers each.

Between 2004 and 2008, the number of business establishments in the Benson area with employees increased from 203 to 224; however, the 2008 figure was down from 231 in 2007, according to the U.S. Census Bureau. The number of private sector employees grew from 2,388 to 2,587, an 8.3 percent increase. However, as with the number of business establishments, the number of employees dropped from 2007 to 2008, falling from 2,635 to 2,587—a 1.8 percent decline. From 2004 through 2008, the total annual payroll of businesses in the Benson area increased from \$56.5 to \$87 million. On a per-employee basis, private-sector payrolls grew by 42.1 percent between 2004 and 2008, from \$23,678 to \$33,644. Inflation during this period was 14 percent, for a real increase of 28.1 percent in the purchasing power of private sector payrolls.

Wages

In 2009, the average wage per hour in Benson was approximately \$16.31, which was lower than the countywide average of \$18.81 and the statewide average of \$19.67. The national average hourly wage in 2009 was \$20.90. Annually, the average wage in Benson in 2009 was \$33,927, compared to \$39,134 for the county, \$40,907 for the state, and \$43,460 nationwide.

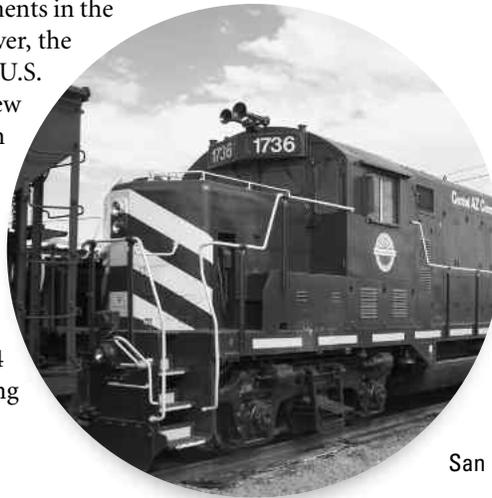
The average wage in Cochise County in 2009 was the fourth highest of Arizona’s 15 counties, behind Greenlee, Maricopa, and Pima. Wages in Cochise County increased 4.2 percent in 2009, despite the recession and the fact that inflation, as measured by the consumer price index, was -0.4 percent. In 2009, Cochise County wages grew slightly faster than the statewide average wage, which grew by 4.1 percent.

Wage growth in Cochise County was the sixth highest of Arizona’s 15 counties in

BENSON’S TOP 10 EMPLOYERS, 2010

EMPLOYER	NUMBER OF FULLTIME EQUIVALENT (FTE) EMPLOYEES*
Arizona’s G & T Cooperatives	306
Wal-Mart Supercenter of Benson	230
Benson Unified School District	149
Benson Hospital Corporation	125
SE AZ Behavioral Health Services, Inc.	120
Gas City/Holiday Inn Express	100
City of Benson	83
Apache Nitrogen Products, Inc.	80
GSS-Quiburi Mission	78
Cochise County	61

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.



San Pedro and Southwestern Railroad locomotive
Photo: Benson Visitor Center

2009. Wages grew at faster rates in Greenlee, La Paz, Santa Cruz, Maricopa, and Yuma counties. In recent years, the gap between wages in Cochise County and statewide has been cut by more than half. In 2004, Cochise County wages were 8.9 percent below the statewide average. This narrowed to 4.3 percent in 2009.

From 2000 to 2009, Cochise County wages increased by 38.5 percent, compared to 24.6 percent inflation during the same period. This reflects real wage growth (an increase in the purchasing power of wages) of 13.9 percent.

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

Cochise County Employment

In 2010, Cochise County lost 625 nonfarm jobs for job growth of -1.7 percent. The only sector to see positive job growth was government, led by a gain of 350 federal

BENSON BUSINESS ESTABLISHMENTS, EMPLOYEES, AND PAYROLL

	2004	2005	2006	2007	2008
No. of Business Establishments	203	207	230	231	224
Number of Employees	2,388	2,244	2,498	2,635	2,587
Annual Payroll (Thousands)	\$56,543	\$59,826	\$70,614	\$81,254	\$87,036
Annual Payroll Per Employee	\$23,678	\$26,660	\$28,268	\$30,836	\$33,644
Annual Payroll Per Employee Growth	-9.0%	12.6%	6.0%	9.1%	9.1%

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.

BENSON AREA BUSINESS ESTABLISHMENTS BY EMPLOYMENT-SIZE CLASS, 2008

Number of establishments by employment-size class

INDUSTRY	1-4	5-9	10-19	20-49	50-99	100-249	TOTAL
Accommodation & food services	8	8	9	9	0	0	34
Admin, support, waste mgt, remediation services	6	1	1	0	0	1	9
Arts, entertainment & recreation	2	3	0	2	0	0	7
Construction	21	5	3	1	0	0	30
Educational services	4	0	0	1	0	0	5
Finance & insurance	3	4	0	0	0	0	7
Forestry, fishing, hunting, and agriculture	1	0	0	0	0	0	1
Health care and social assistance	12	3	3	1	3	1	23
Information	0	1	0	0	0	0	1
Management of companies & enterprises	1	0	1	0	0	0	2
Manufacturing	2	1	1	1	1	0	6
Other services (except public administration)	19	6	0	0	0	0	25
Professional, scientific & technical services	7	4	2	0	0	0	13
Real estate & rental & leasing	12	2	0	0	0	0	14
Retail trade	15	9	7	0	1	1	33
Transportation & warehousing	4	2	2	1	0	0	9
Utilities	0	0	1	1	0	1	3
Wholesale trade	1	0	1	0	0	0	2
TOTAL	118	49	31	17	5	4	224

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

government jobs (6.7 percent job growth), which was mostly offset by the loss of 300 state and local government jobs (-4.1 percent). Professional and business services lost 250 jobs (-4.3 percent), trade, transportation, and utilities lost 150 jobs (-2.4 percent), manufacturing lost 100 jobs (-14.8 percent), financial activities lost 50 jobs (-5.1 percent), leisure and hospitality lost 50 jobs (-1.2 percent), educational and health services lost 25 jobs (-0.6 percent), information lost 25 jobs (-3.8 percent), and other services lost 25 jobs (-2.8 percent). Construction jobs stabilized at 2009 levels in 2010.

Outlook

As of late 2010 and early 2011, Benson and Cochise County had not yet seen strong signs of labor market stabilization. Job losses continued, but with some moderation toward the end of 2010 and in the opening months of 2011. As of late 2010, the local unemployment rate was continuing to rise. Seasonally adjusted data for early 2011 was not available for Benson and Cochise County as this publication went to print, but unadjusted numbers and past-year seasonal factors suggested unemployment continued to increase, despite stabilization at the state level and declines nationwide. Recent trends suggest Cochise County job losses will continue through the first half of 2011, and stabilize mid-year. The current best-case scenario suggests a declining unemployment rate and job growth in the second half of 2011. CER focus group discussions in Benson revealed no shifts in economic activity that would suggest considerable improvement in the city’s employment situation in 2011.

A Note on Employment Data

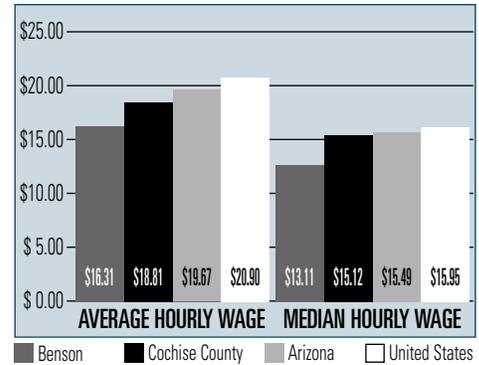
Employment data are widely regarded as one of the most important economic indicators; however, they are subject to sizable revisions. For the most up-to-date employment data for the local economy, visit the CER’s website at www.cochise.edu/cer.

COCHISE COUNTY NON-FARM PAYROLL EMPLOYMENT

	2010	2009	CHANGE	% CHANGE
Total Non-farm	37,150	37,775	-625	-1.7%
Total Private	24,625	25,300	-675	-2.7%
Goods Producing	2,175	2,275	-100	-4.4%
Construction*	1,600	1,600	0	0%
Manufacturing	575	675	-100	-14.8%
Service-Providing	34,975	35,500	-525	-1.5%
Private Service-Providing	22,450	23,025	-575	-2.5%
Trade, Transportation, Utilities	6,100	6,250	-150	-2.4%
Information	625	650	-25	-3.8%
Financial Activities	925	975	-50	-5.1%
Professional & Business Services	5,600	5,850	-250	-4.3%
Educational and Health Services	4,325	4,350	-25	-0.6%
Leisure and Hospitality	4,000	4,050	-50	-1.2%
Other Services	875	900	-25	-2.8%
Government	12,525	12,475	50	0.4%
Federal Government	5,550	5,200	350	6.7%
State and Local Government	6,975	7,275	-300	-4.1%

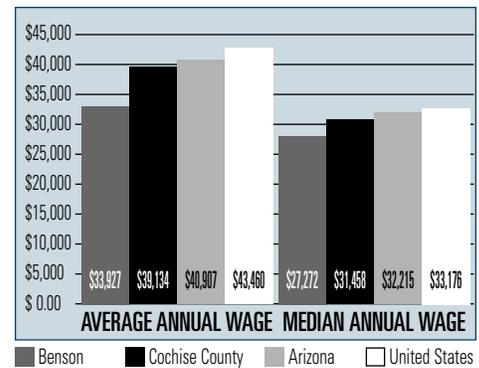
*Includes mining. Note: Numbers are rounded to the nearest 25. Discrepancies are due to rounding. Source: Arizona Department of Commerce and the Cochise College Center for Economic Research.

HOURLY WAGE COMPARISONS, 2009



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

ANNUAL WAGE COMPARISONS, 2009



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



4th Street
Photo: Benson Visitor Center

Retail trade and commerce

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 29,500 in 2009. 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 the Cochise County economy as a whole by bringing in outside dollars that generate jobs, income, and tax revenue. The opening of a new Wal-Mart Supercenter in late 2010 in nearby Sierra Vista threatens to slow sales at the Benson store, lowering the overall level of retail sales in the city.

Taxable Sales

In 2010, the City of Benson collected \$3 million in sales tax revenue, down 4.6 percent, or \$145,553, from the previous year. Accommodation sales (hotel, motel, RV Park, and other temporary lodging stays of less than 30 days) generated the most new sales tax dollars for the city in 2010, increasing by 6.2 percent and bringing in an additional \$11,589. The biggest decline was in construction, which saw revenue drop by 29.3 percent or \$141,434. The largest sales tax revenue generator for the city in 2010 was retail trade, which accounted for 58 percent of the total. This was followed by construction at a distant 11.3 percent, and restaurant and bar at 10 percent.

Retail Sales

Benson's retail sales tax collections in 2010 were down 1.1 percent after adjusting for inflation. Declines in 2008, 2009, and 2010 were on the heels of a 42.8 percent jump in 2007, following the opening of the Wal-Mart Supercenter in the city. 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. The increase in retail sales alone had a total economic impact of nearly \$34 million on the Cochise County economy, generating more than \$10.6 million in local earnings and creating approximately 415 direct, indirect, and induced jobs.

Restaurant and Bar Sales

Benson's restaurant and bar sales struggled from 2005 through 2008, declining each year 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. Benson's restaurant and bar sales in 2010 accounted for 9.3 percent of the countywide total, down from 9.6 percent in 2009.

Accommodation Receipts

In 2010, accommodation sales (hotel, motel, RV Park, and other temporary lodging stays of less than 30 days) in Benson totaled \$4.2 million, up 1 percent from the year prior, after adjusting for inflation. Benson's accommodation receipts in 2010 accounted for 9.3 percent of the countywide total, down from 10

BENSON SALES TAX REVENUE BY INDUSTRY GROUP, 2010

INDUSTRY GROUP	SALES TAX REVENUE	SHARE OF TOTAL SALES TAX REVENUE
Retail Trade	\$1,751,410	58.0%
Construction	\$340,562	11.3%
Restaurant & Bar	\$303,259	10.0%
Accommodation	\$197,088	6.5%
Real Estate, Rental & Leasing	\$156,350	5.2%
Communications & Utilities	\$136,544	4.5%
Services	\$52,356	1.7%
Manufacturing	\$48,599	1.6%
Other	\$19,136	0.6%
Wholesale Trade	\$13,030	0.4%
Finance & Insurance	\$903	0.0%
TOTAL	\$3,019,237	

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

BENSON RETAIL SALES TAX REVENUE

YEAR	TAX REVENUE	% CHANGE	INFLATION-ADJUSTED GROWTH
2006	\$1,248,189	12.5%	9.3%
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%

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.

AVERAGE ANNUAL DAILY TRAFFIC COUNT, BENSON AREA

LOCATION	2005	2006	2007	2008	2009
I-10, Exit 297 to Exit 299	29,100	29,400	30,500	29,500	28,500
I-10, Exit 299 to Exit 302	30,000	30,700	31,000	29,500	29,500
I-10, Exit 302 to Exit 303	25,400	26,100	27,500	25,000	25,500
I-10, Exit 303 to Exit 304	16,800	17,400	17,000	16,500	17,500
I-10, Exit 304 to Exit 306	14,900	17,000	18,000	17,500	17,000
SR 80, SB-10(3) to Country Club Dr	9,100	10,100	10,500	10,500	10,000
SR 80, Country Club Dr to Post Ranch Rd	6,400	7,400	7,600	7,500	7,400
SR 80, Country Club Dr to Apache Powder Rd (South)	6,400	7,400	7,600	7,500	7,400
SR 80, Apache Powder Rd (South) to ADOT Maintenance Yard Entrance	6,100	6,600	7,000	6,900	6,800
SR 80, ADOT Maintenance Yard Entrance to Judd St	4,300	4,600	5,000	4,900	4,900
SR 90, I-10 Exit 302 to Kartchner Caverns Main Entrance	9,400	9,700	9,700	9,500	10,000

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

BENSON SALES TAX REVENUE COLLECTIONS, ANNUAL COMPARISON

INDUSTRY GROUP	2010	2009	GROWTH (\$)	GROWTH (%)
Accommodation	\$197,088	\$185,499	\$11,589	6.2%
Retail Trade	\$1,751,410	\$1,742,789	\$8,621	0.5%
Communications & Utilities	\$136,544	\$133,956	\$2,588	1.9%
Other	\$19,136	\$18,446	\$690	3.7%
Finance & Insurance	\$903	\$872	\$31	3.6%
Wholesale Trade	\$13,030	\$16,443	-\$3,413	-20.8%
Restaurant & Bar	\$303,259	\$307,469	-\$4,210	-1.4%
Manufacturing	\$48,599	\$53,630	-\$5,031	-9.4%
Real Estate, Rental & Leasing	\$156,350	\$162,182	-\$5,832	-3.6%
Services	\$52,356	\$61,508	-\$9,152	-14.9%
Construction	\$340,562	\$481,996	-\$141,434	-29.3%
TOTAL	\$3,019,237	\$3,164,790	-\$145,553	-4.6%

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

BENSON RESTAURANT & BAR SALES

YEAR	SALES	% CHANGE	INFLATION-ADJUSTED GROWTH
2006	\$10,974,200	2.1%	-1.1%
2007	\$10,943,520	-0.3%	-3.1%
2008	\$11,297,360	3.2%	-0.6%
2009	\$12,328,920	9.1%	9.5%
2010	\$12,075,640	-2.1%	-3.7%

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.

BENSON ACCOMMODATION SALES

YEAR	TOTAL REVENUE	% CHANGE	INFLATION-ADJUSTED GROWTH
2006	\$3,775,756	9.0%	5.8%
2007	\$4,546,022	20.4%	17.6%
2008	\$4,379,289	-3.7%	-7.5%
2009	\$4,123,200	-5.8%	-5.5%
2010	\$4,233,889	2.7%	1.0%

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.

BENSON SHARE OF COCHISE COUNTY SALES

CATEGORY	2006	2007	2008	2009	2010
Restaurant & Bar	9.1%	8.9%	8.8%	9.6%	9.3%
Accommodation	10.7%	10.5%	9.6%	10.0%	9.3%

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

percent in 2009. 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 personnel on temporary duty to nearby Fort Huachuca.

Business Establishments

According to the U.S. Census Bureau, as of 2008 there were 224 business establishments located in the Benson area (zip code 85602; includes only firms with employees). The industry with the largest number of firms was accommodation and food services with 34, followed closely by retail trade (33), construction (30), other services (25), and health care and social assistance (23).

Another measure of the level of commerce in Benson is the number of active business licenses issued by the city. These data are not directly comparable to the Census business establishment data discussed above due to geographical and other differences, but they provide a more recent picture of business activity. The number of active business licenses in Benson increased by more than 20 percent each year from 2005 through 2008. Licenses in the city were then up 2.3 percent in 2009, down 13.9 percent in 2010, and up 1.1 percent in 2011.

Retail Out-Shopping

In 2011, the Cochise College Center for Economic Research (CER) conducted a survey of Benson residents to determine their level of retail out-shopping. Out-

BENSON AREA BUSINESS ESTABLISHMENTS

INDUSTRY	2004	2005	2006	2007	2008
Accommodation & food services	34	33	35	34	34
Admin, support, waste mgt, remediation services	5	6	8	8	9
Arts, entertainment & recreation	6	6	6	7	7
Construction	19	25	31	32	30
Educational services	2	2	3	4	5
Finance & insurance	5	5	7	8	7
Forestry, fishing, hunting, and agriculture	0	0	1	1	1
Health care and social assistance	23	25	26	24	23
Information	3	2	2	1	1
Management of companies & enterprises	1	2	2	2	2
Manufacturing	4	5	6	6	6
Other services (except public administration)	23	23	26	27	25
Professional, scientific & technical services	10	6	9	10	13
Real estate & rental & leasing	16	17	16	14	14
Retail trade	33	32	34	35	33
Transportation & warehousing	11	10	8	9	9
Unclassified establishments	1	0	2	0	0
Utilities	4	4	4	3	3
Wholesale trade	3	4	4	6	2
TOTAL	203	207	230	231	224

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

shopping refers to shopping done by Benson residents at businesses located outside the City of Benson. The survey included 400 Benson residents. 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 to supply these goods, or for existing businesses to expand within the market. The 2006 retail out-shopping survey also revealed that Benson residents conducted an average of 13.8 percent of their retail shopping over the internet, and 6.1 percent via catalogs.

Outlook

The opening of a new Wal-Mart Supercenter in late 2010 in nearby Sierra Vista threatens to slow sales at the Benson store, lowering the overall level of retail sales in the city. Early indications are the city's retail sales may drop by 6 to 7 percent in 2011 as the Benson Wal-Mart loses market share to the Sierra Vista store. Benson's restaurant and bar sales, which were down overall by 3.7 percent in 2010, saw steeper declines in the closing months of the year and into 2011. As of early 2011, there was little sign of a turnaround, suggesting sales for the year will end in negative territory. Part of the reason for the decline was the strong growth in 2009 with the opening of the new Gracie's Station restaurant in the city. When a new restaurant opens, there's often a surge in sales that tends to taper off as the restaurant has been open awhile. The city's accommodation sales should see strong performance in 2011 and moving forward as the city continues to benefit from official travelers to nearby Fort Huachuca. Moreover, a recovering economy nationwide should lead to greater commercial traffic along I-10, along with higher rates of RV traffic to Benson, benefitting the city's accommodation industry.

BENSON ACTIVE BUSINESS LICENSES

YEAR	ACTIVE BUSINESS LICENSES	% CHANGE
2007	665	22.9%
2008	831	25.0%
2009	850	2.3%
2010	732	-13.9%
2011	740	1.1%

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

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.



As of early 2011, there were 11 residential developments planned or underway in the Benson area.
Photo: Benson Visitor Center

Housing, real estate, and commercial construction

New Residential Construction

As of early 2011, 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.

The year 2006 saw the first major step toward build-out of the several planned developments when the City of Benson issued 104 new single-family residential 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 early 2007, Pulte Homes pulled out of its planned 13,750-unit Anthem development in Benson due to nationwide housing market conditions. The land for the Anthem project remains entitled and several builders have expressed interest in it.

At the county level, after a strong start to the year, new residential construction hit a 20-year low in 2010. A total of 347 new single-family home permits were issued countywide in 2010, down from 380 in 2009. In the first 6 months of the year, new home permits were up by about 22 percent compared to the first half of 2009. A slowdown in the second half of the year resulted in an overall decline of nearly 9 percent for the year. The drop represents the 5th consecutive year of declining new residential construction in Cochise County. The number of new home permits issued countywide in 2010 was at its lowest level since 1991, and was down nearly 70 percent from the

housing boom peak in 2005. The opening months of 2011 showed no sign of improvement, with new home permits countywide down more than 23 percent in January and February, compared to the same period of 2010.

Part of the reason for the countywide decline in new residential construction was the expiration of the federal homebuyer tax credits in the first half of last year. As the credits were getting ready to expire, this pulled a large number of future sales into the first half of the year, contributing to strong growth from January through June, but a slowdown later in the year. A larger influence, however, was likely the surge in foreclosed homes on the market, which are sold at considerably lower prices and pose stiff competition for new home sales. From the beginning of the national housing market downturn in 2007 through 2009, Cochise County was largely insulated from the problem of foreclosures, which has vexed housing markets in other areas of the state and nation. This changed in 2010, when 26.3 percent of all homes sold in Cochise County were foreclosures, up from 15 percent in 2009. Foreclosures became an increasing problem throughout the year. In the first half of 2010, foreclosed homes accounted for 22 percent of all sales. This jumped to more than 27 percent in the third quarter and nearly 35 percent in the fourth quarter.

Existing Home Sales

In 2010, the number of existing homes (including site-built, manufactured, and mobile homes, as well as townhouses and condominiums) sold in Benson fell by 11.9 percent, after declining by 1.9 percent in 2009. The drop in 2010 was the 4th consecutive year of declining home sales in Benson. Sales volume in 2010 was down 41.4 percent from the peak in 2004. The median price of a home sold in Benson was down 19.4 percent in 2010. The median price of \$125,000 was at its lowest level since 2005, and was down 21.9

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
TOTAL	1,541

Note: As of April 2011. Developments are in various stages of planning and/or construction. Source: City of Benson.

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

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.

EXISTING HOME SALES, BENSON

YEAR	SALES VOLUME	CHANGE IN SALES VOLUME	MEDIAN PRICE	MEDIAN PRICE CHANGE	AVERAGE DAYS ON MARKET
2004	152	—	\$80,250	—	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

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.

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%

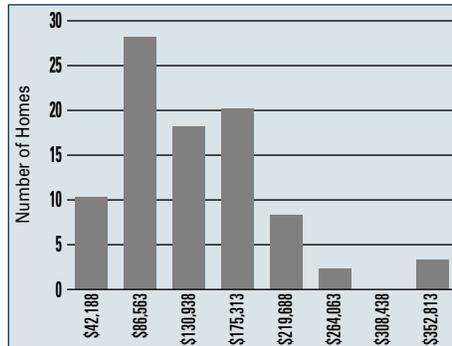
Source: Bright Future Business Consultants of Tucson; City of Benson; and Cochise College Center for Economic Research.

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

Source: City of Benson.

BENSON HOME SALES, 2010



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 \$44,375 (+/- \$22,188 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 EXISTING HOME PRICES, 2010

MINIMUM PRICE	MAXIMUM PRICE	MIDPOINT PRICE	NUMBER OF HOMES	PERCENT OF TOTAL HOMES
\$20,000	\$64,375	\$42,188	10	11.2%
\$64,375	\$108,750	\$86,563	28	31.5%
\$108,750	\$153,125	\$130,938	18	20.2%
\$153,125	\$197,500	\$175,313	20	22.5%
\$197,500	\$241,875	\$219,688	8	9.0%
\$241,875	\$286,250	\$264,063	2	2.2%
\$286,250	\$330,625	\$308,438	0	0.0%
\$330,625	\$375,000	\$352,813	3	3.4%

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.

percent from the peak in 2007. In 2010, the largest share of homes sold in Benson (31.5 percent) were priced between \$64,000 and \$109,000. The average home sold in Benson in 2010 was on the market for 140 days, up considerably from 108 days in 2009.

At the county level, existing home sales were up by 4.2 percent in 2010, the second year of modest growth following 3 consecutive years of double-digit declines. The median home price countywide was down 14 percent in 2010, due largely to an increasing number of foreclosed homes on the market, which tend to be sold at lower prices. From 2004 through 2007, the median home price countywide increased by 39.4 percent; from 2007 through 2010, it dropped by 19.5 percent. The median price of \$157,000 in 2010 was as its lowest level since 2004.

According to the ACCRA Cost of Living Index, housing costs in Cochise County, which include home prices, mortgage rates, and rental rates, were 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. In 2010, local housing costs dropped to 0.6 percent below the national average.

Housing 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. In 2010, the estimated median family income for Benson was \$52,232 and the median home price was \$125,000. In calculating the HAI, the CER considers the average effective interest rate (contract rate plus fees) on a fixed, 30-year conventional mortgage as reported by the Federal Housing Finance Board. In 2010, this rate was 4.93 percent.

The HAI for Benson in 2010 was 204.2. In interpreting the HAI, an index reading of 100 indicates that a family with the median income has exactly enough income to qualify for a mortgage on a median-priced home, assuming a 20 percent down payment and a qualifying income ratio of 25 percent (i.e., the monthly principal and interest payment cannot exceed 25 percent of the family's monthly income). A reading 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. Benson's HAI of 204.2 indicates that a family with the median income had more than twice the income necessary to qualify for a conventional loan covering 80 percent of a median-priced, single-family home.

From 2007 to 2010, homes became decisively more affordable in Benson, with the HAI climbing from 125.7 to 204.2. This was the result of increasing family incomes, declining home prices, and falling interest rates.

Commercial Construction

The years 2006 and 2007 saw a commercial construction boom in Benson with more than \$16 million in new commercial construction investment in the city. 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.

Outlook

In Cochise County, new residential construction has stalled and will continue to struggle until foreclosures are cleared from the market. The current level of foreclosures in active listings is much higher than it has been in the past few years. At the city level, new home construction in Benson is likely to remain well above historic levels, although year-to-year figures are likely to 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.

Sales of existing homes in Benson have continued to decline, with both sales volume and prices dropping through 2010. Fourth quarter 2010 sales, however, showed signs of strengthening from earlier in the year with sales nearly doubling third quarter volume and down by only two units from the fourth quarter of 2009. December 2010 sales were more than double the volumes seen in the months of October and November, suggesting potential stabilization and growth into 2011. Countywide, the existing home market likely bottomed out in 2008 and is now on a path of modest growth. Foreclosure sales will continue to place upward pressure on sales volume for existing homes, but place continued downward pressure on prices. As of early 2011, the pace of foreclosures entering the market continued to increase, suggesting these sales will continue to dominate the local sales market during the year.

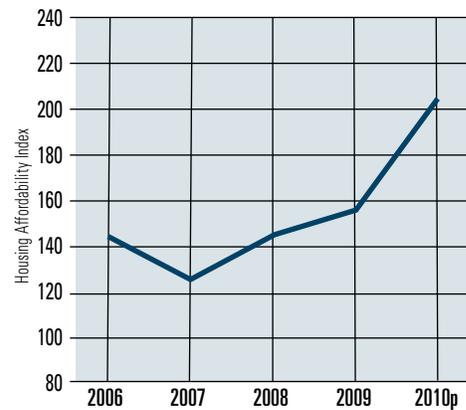
With no new large-scale projects on the immediate horizon, commercial construction in Benson is likely to remain low in 2011 and into 2012. However, several commercial developers have expressed interest in the area and there is likely to be another wave of commercial development in the city once the 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.

BENSON HOUSING AFFORDABILITY INDEX (HAI)

YEAR	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	\$52,232	\$125,000	\$100,000	4.93%	\$533	204.2

Note: Based on the median homes price for residential homes (site built, manufactured homes, mobile homes, townhouses, and condominiums) 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 homes price for residential homes (site built, manufactured homes, mobile homes, townhouses, and condominiums) 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.

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

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



Bank of America

Bank deposits and bankruptcy filings

Banking

Benson is served by two banks: National Bank of Arizona and Bank of America. Bank deposits in Benson in 2010 totaled \$86.4 million, down 2.6 percent from 2009. This followed a 6 percent increase the year prior. At the county level, bank deposits in the year 2009 saw a 22.8 percent decline 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 Bank of America, driving up deposits. Deposits at the county level returned to normal levels in 2009 and were up 1.5 percent in 2010. In 2010, bank deposits in Benson accounted for 8.5 percent of total deposits in the Cochise County market, down from 8.9 percent 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.)

Bankruptcy Filings

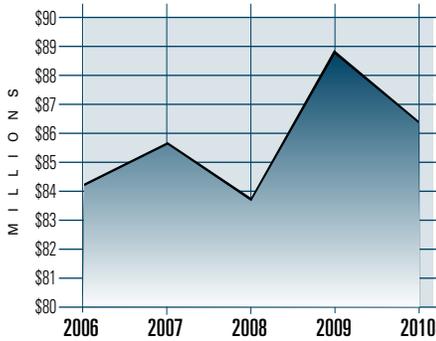
In 2009, there were 339 bankruptcies filed from within Cochise County, up 44.9 percent from 2008. This was on the heels of a 42.9 percent increase in 2007 and a 30 percent increase in 2008. Adjusting for population size, Cochise County's bankruptcy rate in 2009 increased to 2.42 bankruptcies per 1,000 residents, up from 1.68 in 2008. Sharp increases in

BANK DEPOSITS

YEAR	BENSON		COCHISE COUNTY	
	AMOUNT	CHANGE	AMOUNT	CHANGE
2006	\$84,190,000	15.2%	\$1,025,652,000	13.3%
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%

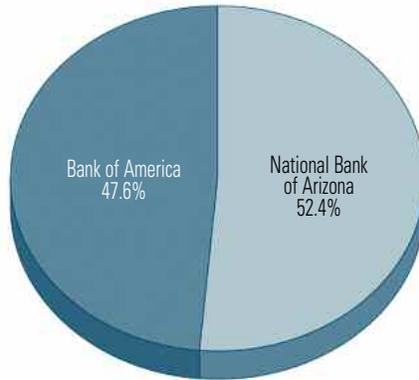
Note: Data reflect total deposits in the 12 months ended June 30 each year. Source: Federal Deposit Insurance Corporation and Cochise College Center for Economic Research.

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), 2010



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
2006	8.2%
2007	8.3%
2008	6.5%
2009	8.9%
2010	8.5%

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 Cochise County from 2007 through 2009 followed a decline of 79.7 percent in 2006.

Despite the increases in recent years, bankruptcy filings per 1,000 residents in 2009 remained well below historic 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 that most individual debtors 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 precipitous drop in filings that year.

In 2009, bankruptcy filings at the county level remained considerably below those at the state and national levels. Cochise County's bankruptcy rate in 2009 was 53.3 percent below the state level and 50 percent below the national level, reflecting a relatively healthy environment for lending and borrowing in Cochise County.

(Note: As this publication went to print, Census 2010 population counts had just been released. Arizona Department of Commerce population estimates for Cochise County and Arizona for the years 2006-2009 had not yet been updated. Once these updates are released, 2006-2009 per capita bankruptcy data for Arizona and Cochise County will be revised. Initial review indicates the figures will be revised upward both at the county and state levels based on the likelihood population estimates will be revised downward.)

COCHISE COUNTY BANKRUPTCY FILINGS

YEAR	POPULATION	TOTAL FILINGS	FILINGS PER 1,000 POP.
2005	131,790	620	4.70
2006	135,150	126	0.93
2007	137,200	180	1.31
2008	139,434	234	1.68
2009	140,263	339	2.42

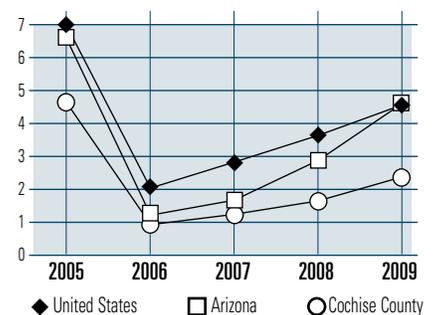
Source: U.S. Bankruptcy Court; U.S. Census Bureau; Arizona Department of Commerce; and Cochise College Center for Economic Research.

BANKRUPTCY FILINGS (PER 1,000 RESIDENTS)

YEAR	COCHISE COUNTY	ARIZONA	UNITED STATES
2005	4.70	6.62	7.01
2006	0.93	1.24	2.07
2007	1.31	1.68	2.66
2008	1.68	2.95	3.68
2009	2.42	5.18	4.80

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

BANKRUPTCY FILINGS (PER 1,000 RESIDENTS)



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



The Douglas Port of Entry

Mexico

Overview

Cochise County's economy is significantly impacted by that of Mexico. The 82-mile shared border between Cochise County and Sonora, Mexico serves as a crossover point for millions of visitors from Mexico each year—from day shoppers and workers who cross legally through the designated ports of entry at Douglas and Naco, to drug and illegal alien smugglers who cross illegally through the Sonoran desert. The Naco port of entry is located approximately 55 miles, and the Douglas port 75 miles, southeast of Benson.

Cochise College Center for Economic Research (CER) focus group discussions in Benson indicate the city sees relatively little traffic from illegal crossers due to its distance from the border. However, the city does host a considerable number of Mexican shoppers, indicated by the large proportion of vehicles with license plates from Sonora, Mexico parked daily at the city's retail outlets.

Trends in the numbers of shoppers from Mexico are impacted by the exchange rate between the U.S. Dollar and the Mexican Peso. A strong peso makes U.S. goods and services less expensive for Mexican visitors, encouraging shoppers to visit the United States, while a weak peso makes U.S. goods and services more expensive. In the summer of 2008, the exchange rate was just over 10 pesos to the dollar. Since then, the peso has generally weakened, trading at over 13 pesos to the dollar in late 2008 and 15 pesos to the dollar in early 2009. Since early 2009, the peso has strengthened, trading at just over 13 pesos to the dollar for most of the second half of 2009, and between 12.3 and 13.2 pesos to the dollar in 2010. The final 4 months of 2010 saw the peso strengthen to below 12.5 and the opening months of 2011 saw a further strengthening to below 12.2.

Another factor influencing Mexican shoppers is the inflation rate in Mexico. As prices rise in

Mexico, relative to those in the United States, this encourages Mexican shopping in the United States. In 2010, consumer prices in Mexico rose 4.2 percent, compared to 1.6 percent in the United States. The inflation rate in the United States has historically been considerably lower than in Mexico.

Agua Prieta, Sonora

The City of Douglas, Arizona shares a border with Agua Prieta, Sonora, Mexico, approximately 75 miles southeast of Benson. With thousands of border crossings into the United States each day at the Douglas Port of Entry (POE), that city hosts many foreign shoppers, workers, and other visitors. A 2007-2008 study conducted by the University of Arizona indicated 81.6 percent of Mexican residents entering the United States through the Douglas port did so for the purpose of shopping—the highest proportion of all ports of entry in the State of Arizona.

Population estimates for Agua Prieta vary widely, ranging from about 60,000 to 150,000, although some estimates have placed the city’s population close to 200,000. According to figures provided by the Agua Prieta Municipal Government, the city’s population in 2006 was 100,000, of which 35 percent were economically active. The city’s unemployment rate in 2006 was 15 percent, with a total labor force of 35,000, according to municipal government figures.

Over the past couple of decades, Agua Prieta has seen a significant increase in maquiladoras (twin factories), which are foreign-owned factories that manufacture and assemble products for export. Major industrial employers in Agua Prieta as of 2006 were Levolor Kirsh, a blinds manufacturer employing 2,100 workers; Commercial Vehicle Group, an automotive manufacturer employing 2,000 workers; Takata, a seat belt/harness manufacturer employing 1,200 workers; Velcro USA, a textile and Velcro products manufacturer employing 850 workers; and Standex International, an electronics manufacturer employing 965 workers. In 2008, Alstyle Apparel & Activewear announced it would open a new 700,000 square-foot manufacturing facility in Agua Prieta. The facility will include knitting, dying, cutting, sewing, and distribution and will employ approximately 2,500 workers. The facility is expected to be operational in 2011.

Agua Prieta’s general infrastructure, according to the municipal government, includes 50 hotels and motels, 30 restaurants, a museum, two theaters, two bookstores, five private clubs, a bowling club, two gymnasiums, two shopping centers, seven gas stations, six local radio stations (AM/FM), three supermarkets/food stores, three local newspapers, a post office, six main banks, six private hospitals, three public hospitals, and two sports arenas. Transportation infrastructure includes six national, intercity bus companies; a local public transport intra-city bus system with 25 routes; eight local and international trucking companies; a rail line; and an interstate airline.

The Douglas POE for vehicle and pedestrian traffic is open 24 hours a day, 7 days a week. Between 2003 and 2007, an average of more than 5.4 million people each year (more than 14,700 per day) passed through the Douglas POE from Agua Prieta into Douglas. About 60 percent of these were non-U.S. citizens, while 40 percent were U.S. citizens returning from Mexico. In 2008, shortly after the implementation of the Western Hemisphere Travel Initiative (WHTI) travel restrictions on U.S. citizens, U.S. Customs and Border Protection discontinued reporting the numbers of U.S. visitors to Mexico crossing back into the United States, thus data on those crossings are no longer available.

In 2010, vehicle crossings through the Douglas POE from Agua Prieta into Douglas were down by 5.5 percent and the number of vehicle passengers was down by 11.7 percent. Pedestrian traffic into Douglas from Agua Prieta was down by 15.3 percent in 2010. Overall, the number of visitors (passengers and pedestrians) crossing into Douglas was down by 12.7 percent in 2010.

DOUGLAS INTERNATIONAL PORT AUTHORITY

In 2008, the Douglas International Port Authority, Inc. (DIPA) was incorporated making it the state’s third port authority (the other two are the Greater Nogales/Santa Cruz County Port Authority and the Greater Yuma Port Authority). DIPA incorporated as a nonprofit, private organization. It

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

2009	January	14.3097
	February	15.0698
	March	14.1517
	April	13.8667
	May	13.1667
	June	13.1722
	July	13.2125
	August	13.3140
	September	13.4928
	October	13.1479
	November	12.9157
	December	13.0437
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

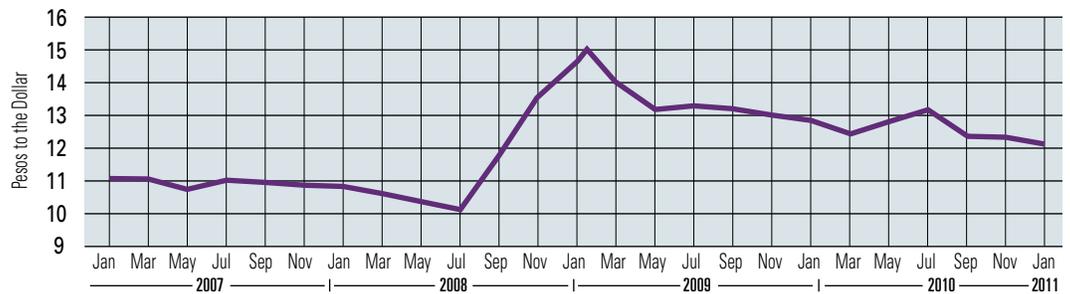
Note: As of the last business day of each month. Rates vary daily. Source: International Monetary Fund.

INFLATION RATE, CONSUMER PRICES

	MEXICO	UNITED STATES
2006	3.6%	3.2%
2007	4.0%	2.8%
2008	5.1%	3.8%
2009	5.3%	-0.4%
2010	4.2%	1.6%

Source: International Monetary Fund and U.S. Department of Labor.

EXCHANGE RATE: MEXICAN PESO TO U.S. DOLLAR



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

comprises and is directed by area executives representative of the trade/logistics business service sector, cross-border manufacturing, and agribusiness industries, as well as community and economic development.

The primary mission of DIPA is to promote trade and commerce. High on its priority list is the expansion and further development of the Douglas POE. The Douglas POE is the second largest commercial port in Arizona with more than \$1 billion in trade conducted each year. A feasibility study by the U.S. General Services Administration (GSA) was recently completed and the current schedule calls for port design in 2012-2013 and construction of \$60 million of infrastructure for 2014. Recently, the Arizona Department of Transportation approved \$3.5 million to extend Chino Road in Douglas approximately one quarter of a mile to the south to provide connectivity to the commercial port of entry as proposed by GSA, as well as to perform a Design Concept Report (DCR) and an Environmental Assessment (EA).

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 2000 was 5,370, according to Mexico's Instituto Nacional de Estadística y Geografía (INEGI). The population of the Naco, Arizona Census Designated Place (CDP) as of 2000 was 833, according to the U.S. Census Bureau.

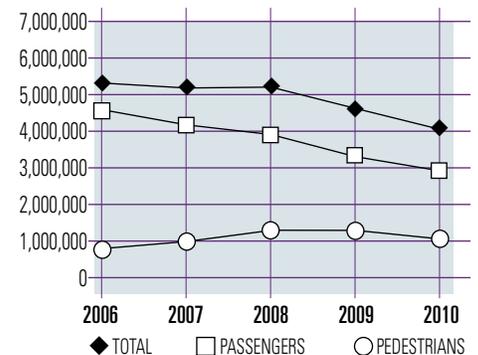
With thousands of border crossings into the United States each day at the Naco POE, the area serves as a gateway to Cochise County's retail shopping outlets. A 2007-2008 study conducted by the University of Arizona indicated that 80.1 percent of Mexican residents entering the United States through the Naco port did so for the purpose of shopping—the second highest proportion of all ports of entry in the State of Arizona behind Douglas, also located in Cochise County.

US-MEXICO BORDER CROSSINGS, DOUGLAS PORT

	VEHICLES		PASSENGERS		PEDESTRIANS		(PASSENGERS & PEDESTRIANS) TOTAL	
	CROSSINGS	% CHANGE	CROSSINGS	% CHANGE	CROSSINGS	% CHANGE	CROSSINGS	% CHANGE
2005	2,137,150	0.8%	4,727,538	5.3%	712,435	31.8%	5,439,973	8.1%
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%

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.

The Naco POE for vehicle and pedestrian traffic is open 24 hours a day, 7 days a week. Between 2003 and 2007, an average of 1.4 million people each year (more than 3,900 per day) passed through the Naco port from Mexico into the United States. About 75 percent of these were non-U.S. citizens, while 25 percent were U.S. citizens returning from Mexico. In 2008, U.S. Customs and Border Protection discontinued reporting the numbers of U.S. visitors to Mexico crossing back into the United States, thus data on those crossings are no longer available.

In 2010, vehicle crossings through the Naco port from Naco, Sonora into Naco, Arizona were down 5.8 percent and the number of vehicle passengers was down by 22.1 percent. Pedestrian traffic into the United States from Naco was down by 3.7 percent in 2010. Overall, the number of visitors (passengers and pedestrians) crossing into Naco was down by 20.1 percent in 2010.

Economic Impact of Mexican Visitors

A 2007-2008 study conducted by the University of Arizona measured the economic impact of Mexican visitors to Arizona. The study found that Mexican visitors to Cochise County accounted for 5.3 percent of countywide taxable sales. Mexican visitors spent \$186.4 million in Cochise County, up 92.6 percent from 2001. More than two-thirds of spending by Mexican visitors to Cochise County occurred in Douglas, according to the study.

Fifty-five percent of expenditures by Mexican visitors to Cochise County occurred in retail stores, 24.1 percent occurred in grocery stores, and 7.3 percent occurred in restaurants. According to the study, the direct spending by Mexican visitors to Cochise County resulted in 1,498 jobs and \$28.8 million in local income. 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.

Direct expenditures throughout the state of Arizona by Mexican visitors crossing through the Douglas POE totaled \$466.4 million in the 2007-2008 study. This was up 372.1 percent from a similar study conducted in 2001. The increase was the largest of all of Arizona's POEs. Each party entering the United States through the Douglas port spent an average of \$253 while in Arizona, according to the study.

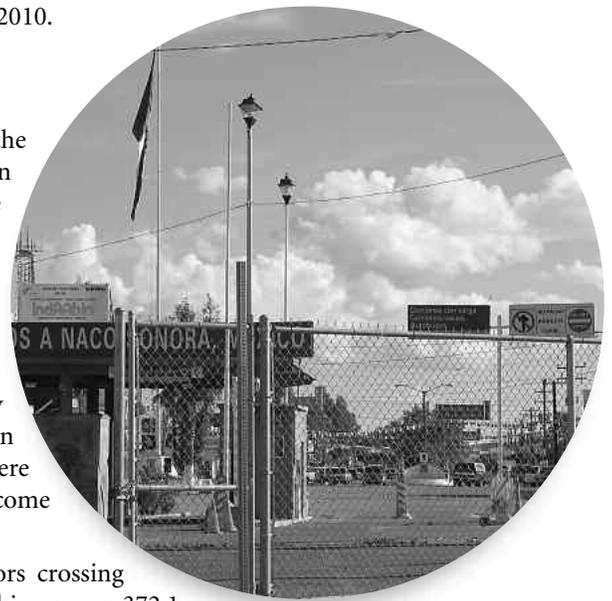
Direct expenditures throughout the state by Mexican visitors crossing through the Naco Port of Entry totaled \$98.4 million in the 2007-2008 study. This was up 219.6 percent from the study conducted in 2001. Each party entering the United States through the Naco port spent an average of \$277 while in Arizona, according to the study.

Although statewide direct expenditures reported by Mexican visitors at the Douglas and Naco ports totaled \$564.8 million, the survey indicated only \$186.4 million was actually spent within Cochise County. This indicates that Cochise County captures only one-third of the spending of Mexican visitors entering through its borders. Of the \$186.4 million spent in Cochise County, \$123.3 million was spent in Douglas.

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 noted by the Arizona Department of Commerce, the Janos Highway (which begins in Douglas) is the shortest paved route from the western United States to Mexico City and Guadalajara.

In early 2008, a provision of the WHTI took effect, which required U.S. citizens returning from Mexico to show a government-issued identification card (e.g., a driver's license) and proof of citizenship (e.g., a birth certificate). This likely contributed to a decline in the numbers of U.S. citizens crossing the border. In Naco, U.S. citizen crossings were down 3.1 percent in the first 3 months of 2008; in Douglas, the decline was much steeper at 25.2 percent. In 2008, shortly after the



The town of Naco, Sonora, Mexico shares a border with Naco, Arizona

provisions of the WHTI took effect, U.S. Customs and Border Protection discontinued reporting the numbers of U.S. visitors to Mexico crossing back into the United States, thus data on those crossings are no longer available.

Beginning June 1, 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. U.S. citizen children under the age of 16 may present the original or a copy of their birth certificate, or other proof of U.S. citizenship such as a naturalization certificate or citizenship card. Groups of U.S. citizen children ages 16 through 18, when traveling with a school or religious group, social organization, or sports team, may enter under adult supervision with originals or copies of their birth certificates or other proof of citizenship. Visit www.GetYouHome.gov for more information on current travel requirements.

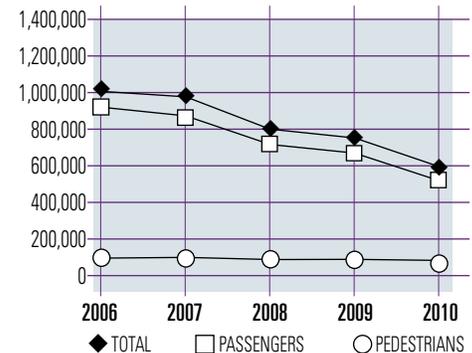
Another factor potentially contributing to a decline in border crossings of U.S. residents into Mexico is concern over violence resulting from clashes between drug cartels and Mexican government officials in some Mexican border towns. U.S. media outlets have reported various statistics on the numbers of drug and gang-related killings throughout Mexico, and most note that such killings more than doubled from 2007 to 2008 and reached all-time highs in 2009 and 2010. The violence has been much more prevalent in Mexican cities sharing borders with Texas and California (particularly Ciudad Juarez and Tijuana, respectively) than in those areas sharing a border with Arizona. However, as of early 2011, Nogales, Sonora, which shares a border with neighboring Santa Cruz County, Arizona, is specifically mentioned in the U.S. State Department's travel warning for Mexico, which notes that "large firefights have taken place in towns and cities in many parts of Mexico, often in broad daylight on streets and other public venues. Such firefights have occurred mostly in northern Mexico, including...Nogales... During some of these incidents, U.S. citizens have been trapped and temporarily prevented from leaving the area." The State Department issues travel warnings when they decide, based on all relevant information, to recommend that Americans avoid travel to a certain country. Neither Agua Prieta nor Naco, which share a border with Cochise County, was referenced in the State Department's travel warning for Mexico as of early 2011.

US-MEXICO BORDER CROSSINGS, NACO PORT

	VEHICLES		PASSENGERS		PEDESTRIANS		(PASSENGERS & PEDESTRIANS) TOTAL	
	CROSSINGS	% CHANGE	CROSSINGS	% CHANGE	CROSSINGS	% CHANGE	CROSSINGS	% CHANGE
2005	320,432	-7.4%	1,133,186	-47.1%	99,879	8.9%	1,233,065	-44.8%
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%

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.



Soldiers conducting training at Fort Huachuca
Photo: Fort Huachuca Public Affairs Office

Fort Huachuca

Fort Huachuca is an active U.S. Army installation located in Sierra Vista, approximately 30 miles south of Benson. Fort Huachuca hosts the Army's Command, Control, Communications, Computers, Intelligence, Surveillance and Reconnaissance (C4ISR) Center of Excellence. The fort provides the critical resources, infrastructure, and services required by 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 spanning elevations from 4,000 to 8,400 feet above main sea level. The fort manages 962 square miles of restricted air space and 2,575 square miles of electronic ranges outside the installation boundaries. Due to its unique geography, topography, and climate, the installation is a critical national military asset closely replicating Afghanistan, complete with mock villages and a dirt airstrip for training realism.

The UAS and Intelligence Centers of Excellence trained 22,000 professionals on site and another 109,000 worldwide in support of Army Force Generation in fiscal year 2010. The 11th Signal Brigade, Network Enterprise Technology Command/9th Signal Command (Army), Electronic Proving Ground, Joint Interoperability Test Command, Communications Electronics Command, Information Systems Engineering Command, and Intelligence Electronic Warfare Test Directorate utilize the extensive electronic test range to synergize requirements generation, system development, rapid prototyping, developmental and operational testing, and overseas deployment of the newest C4ISR technology.

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's 12,001 foot concrete runway is the centerpiece of 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.

Cochise College Center for Economic Research focus group discussions in Benson indicate the fort has had an increasing impact on the city evidenced by a growing number of military residents, especially within newly established residential communities. The increasing presence of military personnel has also become apparent in the city's retail outlets. Benson's location approximately halfway between Fort Huachuca and Tucson makes it an attractive residential spot for military personnel and their families.

As of September 2010, approximately 2,300 active duty military personnel, along with their family members, were assigned to the fort, with an additional 978 currently deployed from the fort to other locations worldwide. There were also approximately 3,218 military trainees (students) temporarily assigned to the fort for training.

The resident population of Fort Huachuca (those actually residing on post) was approximately 7,637 as of January 2011, which included 1,184 military personnel and 3,013 military family members residing in on-post family housing, along with 3,440 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 Sierra Vista and surrounding communities. Students assigned temporarily to the fort for training typically are not accompanied by family members. In such cases, service members' family members remain at their permanent duty stations or relocate to follow-on duty stations for those service members who attend training between assignments. For soldiers attending initial entry training, the military does not authorize travel of their family members to Fort Huachuca except in rare cases.

In January 2010, the Department of the Army announced the planned relocation of the 86th Signal Battalion from Fort Huachuca to Fort Bliss, Texas. The result is an increase of 487 military authorizations and one civilian authorization at Fort Bliss and a corresponding decrease at Fort Huachuca. Implementation of these changes is scheduled to be complete in July 2011.

The number of housing units on post is projected to decline from approximately 1,200 in 2010 to approximately 1,064 in 2014. The net decline will result from the demolition of older housing units and the construction of fewer units to replace them. This may result in an increased demand for off-post housing in Sierra Vista and surrounding communities. Housing communities on post will be developed and homes will be constructed by private-sector firms as part of the Army's wider housing privatization efforts under its Residential Communities Initiative.



UAV Training on Fort Huachuca
Photo: Fort Huachuca Public Affairs
Office

Economic Impact

COCHISE COUNTY'S TOP EMPLOYER

In 2010, Fort Huachuca remained Cochise County's top employer, according to the Cochise College Center for Economic Research's (CER's) annual Top 75 Employer Survey. Fort Huachuca has been the top employer in Cochise County every year since the CER began conducting the survey in 1999.

As of the CER's 2010 top employer survey, conducted in July 2010, Fort Huachuca employed 9,438 fulltime equivalent (FTE) employees, which included 3,197 active duty military personnel permanently assigned to the fort, 3,039 Department of the Army civilian employees, 74 part-time civilian employees directly employed by the fort, and about 3,165 military students present at the fort for training. Although the fort trains about 22,000 students each year, students arrive and depart at various times throughout the year, with approximately 3,165 present on any given day, as of the CER's most recent survey.

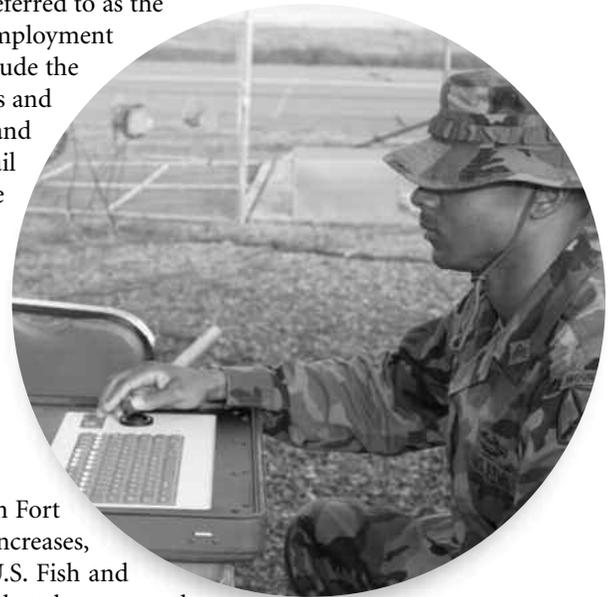
An FTE employee is equal to one fulltime or two part-time employees. The fort's number of FTE employees includes only those workers employed directly by the fort. Not included are workers who report to work on Fort Huachuca but are not employed directly by the fort. These include more than 4,800 employees of defense contracting firms in the Sierra Vista area, who are reported by the contracting firms that directly employ them. These include General Dynamics Information

Technology, which is the county's third largest employer; Mantech Telecommunications and Information Systems Corporation, which is the county's 11th largest employer; Northrop Grumman Corporation, which is the county's 12th largest employer; and NewTec, LLC, which is the county's 13th largest employer. In 2010, ten of Cochise County's top 75 employers were professional and business service firms whose customer base, in whole or part, was Fort Huachuca.

Also not included in the fort's numbers are employees of the Fort Huachuca Accommodation Schools (FHAS), which reports its employees separately and was the county's 41st largest employer in 2010. Although located on Fort Huachuca, FHAS schools are Arizona public schools that fall under the Arizona Department of Education. The FTE numbers also do not include employees of the AAFES Post Exchange (PX), U.S. Post Office, colleges and universities, and concessionaires located on post.

THE MAGUIRE REPORT

In 2008, the Maguire Company, in collaboration with ESI Corp, released the results of its *Economic Impact of Arizona's Principal Military Operations* study, commonly referred to as the Maguire Report. According to the study, the direct, indirect, and induced employment impact of Fort Huachuca on Cochise County was 26,921 FTE jobs, which include the fort's direct employees, as well as those employed due to government contracts and spending by the fort and its employees. Nearly 83 percent of the indirect and induced employment generated by Fort Huachuca occurred in the county's retail trade and services industries. The total economic impact of the fort on Cochise County was estimated at \$2.4 billion annually. Nearly 42 percent of this impact was the result of indirect and induced economic activity in the county's retail trade and services industries. The report also estimated that the direct, indirect, and induced economic activity of Fort Huachuca generated \$23.2 million per year in local sales tax and \$17.3 million in local property tax in Cochise County.



U.S. Fish and Wildlife Biological Opinion

In recent years, water use by the fort, as well as water use that results from Fort Huachuca's indirect and induced employment, and any resultant population increases, has been an environmental issue. A June 2007 biological opinion issued by U.S. Fish and Wildlife Service (FWS) examined the environmental impact and concluded that the proposed ongoing and future military operations and activities at Fort Huachuca were not likely to adversely affect endangered species. The opinion noted that Fort Huachuca has been a recognized leader in energy and water reduction initiatives for more than a decade; water use had been reduced by over 50 percent, or over half a billion gallons per year; the fort had been below the federal energy conservation goals for more than a decade; and the fort had increased the use of renewable energy in the form of solar and wind, neither of which consume water in the production of electricity. Perhaps most important to the future of Fort Huachuca, the FWS biological opinion provides Fort Huachuca the flexibility to accomplish the mission and continue to meet water conservation measures.

For more information on Fort Huachuca, visit www.army.mil/huachuca.

Photo: Fort Huachuca Public
Affairs Office



Agriculture remains a significant part of the Cochise County economy

Cochise County agriculture

Agriculture remains a significant part of the Cochise County economy. In 2007, top crop items by acreage in Cochise County included forage land, corn, pecans, and harvested vegetables. Top livestock inventory items by number were 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 a deconsolidation of farmland evidenced by the decline in total farm acreage from 970,000 to 825,000, despite growth in the number of farms. The average farm size in the county decreased from 1,020 to 774 acres.

Although the size of farms decreased between 2002 and 2007, the value of land and buildings per farm more than doubled from \$705,000 to \$1.5 million. The average market value of land and buildings per acre of farmland more than tripled from \$631 to \$1,907. The estimated market value of machinery and equipment per farm in Cochise County grew by nearly one-half, from \$53,000 to \$78,000.

The changing structure of farms in Cochise County between 2002 and 2007 was characterized by an increase in the number of farms of all size classes except those that were 1,000 acres or more, which stabilized at 2002 levels. Most of the growth in the number of farms occurred in smaller farms, particularly those that were 179 acres or smaller. In terms of the market value of agricultural products sold, the number of farms with annual sales valuing less than \$2,500 grew by 35 percent from 363 to 490. At the same time, the number of farms with sales of \$100,000 or more declined by 10 percent from 120 to 108.

Although the area of farmland in Cochise County declined by 15 percent between 2002 and 2007, the market value of agricultural products sold grew by nearly 50 percent from \$78.3 to \$117.1 million.

The majority of these products were crops, which accounted for 63 percent of total agricultural products countywide 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 \$55.7 million in 2002. The market value of livestock sales increased 89.5 percent from \$22.6 to \$42.8 million.

Although the total acreage of farms in Cochise County decreased considerably from 2002 to 2007, the total output expanded along with the value of land, buildings, and machinery. This is likely attributable to the development and procurement of more technologically advanced equipment, making farm work less labor intensive, as well as the more efficient use of land resources to increase output per acre.

St. David Farmers Market

The St. David Farmers Market, held at the St. David Unified School District campus, opened for its second season of weekly Saturday morning markets in May 2010. According to the market manager, the market was started to help revive backyard and small farm food production for local consumption and to serve as food business incubators offering an affordable nearby market for producers. The market manager has reported seeing an increase in the demand for locally and naturally raised food that is chemical-free. The market seeks to involve young people in raising and selling food through the school district's vocational agriculture, culinary arts, and business classes, as well as Future

Farmers of America (FFA) and 4H organizations. Students at the St. David Unified School District as well as FFA and 4H members can sell eligible products at the farmers market at no vendor charge. The St. David Farmers Market includes frequent agricultural educational events such as goat milking; weaving, spinning, and solar cooking demonstrations; Cooperative Extension Master Gardeners & Waterwise (rainwater harvesting) information booths; and a petting zoo of baby farm animals. For more information, contact market manager Ron Millet at (520) 221-1074 or stdavid-farmersmarket@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

General Overview

Tourism is an important component of the economy of Benson and Cochise County. As an export-oriented industry, tourism brings dollars to the local area from other regions. This generates local sales, jobs, income, and tax revenue in addition to that generated by the spending of local residents. According to a study by Dean Runyon Associates, the travel industry is one of the top two export-oriented industries in Arizona as measured by its contribution to the state's Gross Domestic Product.

Tourism is often defined broadly to encompass all travel-related activity, including both business and leisure travel. This broader industry is sometimes referred to as tourism and travel. In Benson and 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, as well as other government-related travel.

Cochise County communities, including Benson, have joined together to form the Cochise County Tourism Council (CCTC). The marketing efforts of the CCTC, which are funded by the individual communities, Cochise County, and grant dollars from Arizona Office of Tourism (AOT), market Cochise County as a single entity to leisure travelers nationally and internationally. For more information, visit www.explorecochise.com and www.bensonvisitorcenter.com.

Benson's Railroad Heritage

The City of Benson was incorporated in 1924. Long before that, Benson developed as a stopping point for the Butterfield Overland Stage mail delivery route. The Southern Pacific Railroad came to

Benson in the late 1800s and served the area until 1997 when the line was purchased by Union Pacific Railroad. In the late 1800s and early 1900s, Benson was the railroad hub of Southern Arizona. Benson's culture is characterized by images of the Old West and the city's traditional railroad heritage. The Benson Visitor Center—Train Depot, located in the heart of Benson's historic downtown, is a replica railroad depot using many of the same architectural features as the original depot that was built more than a century ago. The Benson Visitor Center provides brochures on the city's Historic Walking Tour, which highlights Benson's history, architecture, and people. For more information, visit www.bensonvisitorcenter.com.

Attractions and Activities

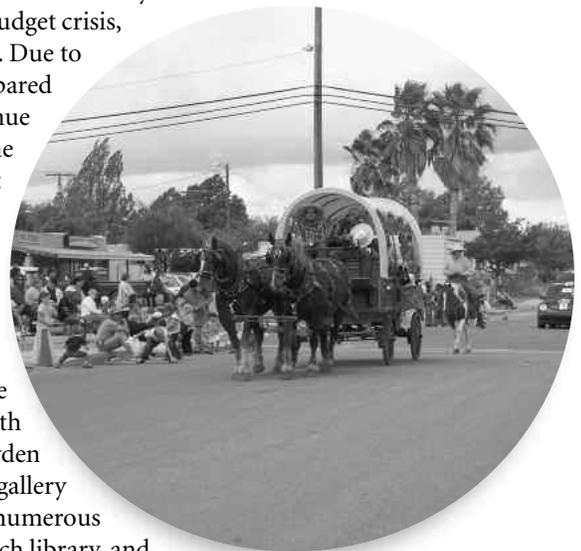
KARTCHNER CAVERNS

Kartchner Caverns State Park is located on 550 acres at the foothills of the Whetstone Mountains along State Route 90. The caverns were discovered in 1974 and their existence was made public in 1988 when their purchase was approved as an Arizona State Park. Kartchner Caverns is home to one of the world's longest soda straw stalactites; the tallest and most massive column in Arizona; the world's most extensive formation of brushite moonmilk; the first reported occurrence of "turnip" shields; the first cave occurrence of "birdsnest" needle quartz formations; and many other unusual formations such as shields, totems, helictites, and rimstone dams. Geologists at the 2009 International Conference on Speleology declared Kartchner Caverns State Park to be the world leader in management of a living cave. Kartchner Caverns State 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 by visitors to the park in 2007. According to the study, this resulted in a total (direct, indirect, and induced) impact of \$12.3 million in local income and 188 jobs. The study also concluded Kartchner Caverns generated nearly \$1 million in state and local government tax revenue. In 2010, as a result of the state budget crisis, the Arizona State Parks Board announced it would close many of the state's parks. Due to Kartchner Caverns' status as a positive revenue generator for the state, it was spared closure. Of Arizona's 30 state parks, Kartchner Caverns was the largest revenue generator bringing in \$2.9 million in fiscal year 2009. The park also generated the most net revenue (revenue minus cost) at \$600,000. For more information, visit <http://azstateparks.com/Parks/KACA>.

THE AMERIND FOUNDATION

The Amerind Foundation is located 12 miles east of Benson in Texas Canyon. The foundation is an anthropological and archaeological museum and research center dedicated to the preservation and interpretation of Native American cultures and their histories, from the first peoples from Alaska to South America, and from the last Ice Age to the present. Amerind's Fulton-Hayden Memorial Art Gallery features works on western themes and the museum and art gallery are housed in Spanish Colonial Revival-style buildings. The foundation hosts numerous special events and openings. Archaeological and ethnographic collections, a research library, and archives are resources for scholars conducting research on southwestern anthropology, archaeology, history, and Native American studies. Amerind's resident scholar and advanced seminar programs address research issues in anthropology, archaeology, and related disciplines. Seminar proceedings are regularly published in Amerind's New World Studies Series through the University of Arizona Press. For more information, visit www.amerind.org.

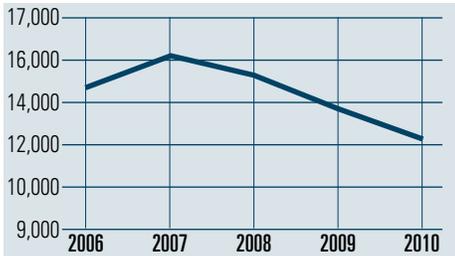


Butterfield Parade
Photo: Benson Visitor Center

COCHISE STRONGHOLD

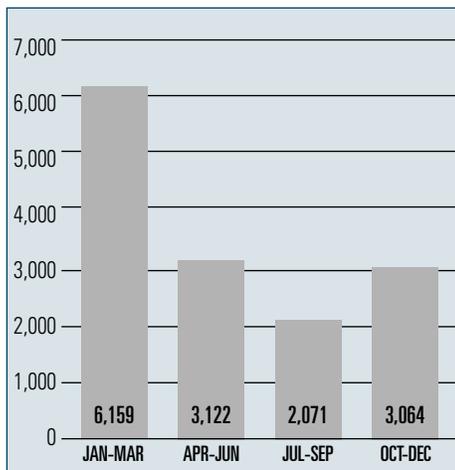
Cochise Stronghold, an historic site located within the Coronado National Forest, is the rocky fortress where famed Chiricahua Apache Chief Cochise and about 1,000 of his followers held out against the U.S. Cavalry in the 1860s. The site is a popular day trip from Benson. For more

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 2006-2010. Source: Benson Visitor Center and Cochise College Center for Economic Research.

information, visit 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 movie set location offers self-guided tours or personalized tours of the set's Old West Town. The high desert film location has been a destination point for RV clubs who stay in RV resorts in Benson. For more information, visit www.gammonsgulch.com.

HOLY TRINITY MONASTERY

The Holy Trinity Monastery is located 9 miles south of Benson on State Route 80 in St. David. It features a bookstore, gift shop, library, oriental garden, museum, art gallery, bird sanctuary, and thrift shop. The monastery holds seasonal festivals that attract hundreds of visitors. For more information, call (520) 720-4642 or visit www.holytrinitymonastery.org.

SAN PEDRO VALLEY ARTS AND HISTORICAL SOCIETY/BENSON MUSEUM

The Benson Museum is housed in a 1920s store building and offers unique displays celebrating local history. Collections include old maps, dental tools, mining tools, household goods, furnishings from the Arnold Hotel, and a horse-drawn school bus from Benson High School. Displays offer information on the history of cattle and mining in the Benson area. The museum is also home to the Art and Quilting Gallery, a separate building offering quilts on display (and some for sale) from local quilters. For more information, visit www.bensonmuseum.com.

SAN PEDRO RIPARIAN NATIONAL CONSERVATION AREA

The San Pedro Riparian National Conservation Area, managed by the Bureau of Land Management, extends from St. David (just south of Benson along State Route 80) to Naco, Mexico. The San Pedro House is located just off State Route 90 between Sierra Vista and Bisbee. The conservation area is nearly 57,000 acres and has 40 miles of river bank. With over 250 recorded 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, call the BLM Gila District Office at (520) 439-6400.

Tourism Trends in Benson

Tourism in Benson, as measured by visits to the Benson Visitor Center, increased considerably in 2006 and 2007, but declined from 2008 through 2010 during the nationwide recession and slow recovery. Annual visits were down 5.5, 10.1, and 10.8

percent in 2008, 2009, and 2010, respectively. Traditionally, January through March is the busiest season for the visitor center. Between 2006 and 2010, the visitor center received an average of 6,159 visitors in the first quarter of the year. The slowest quarter of the year for visitors has been July through September, which has seen an average visitor count of 2,071.

BENSON VISITOR CENTER, VISITOR COUNTS

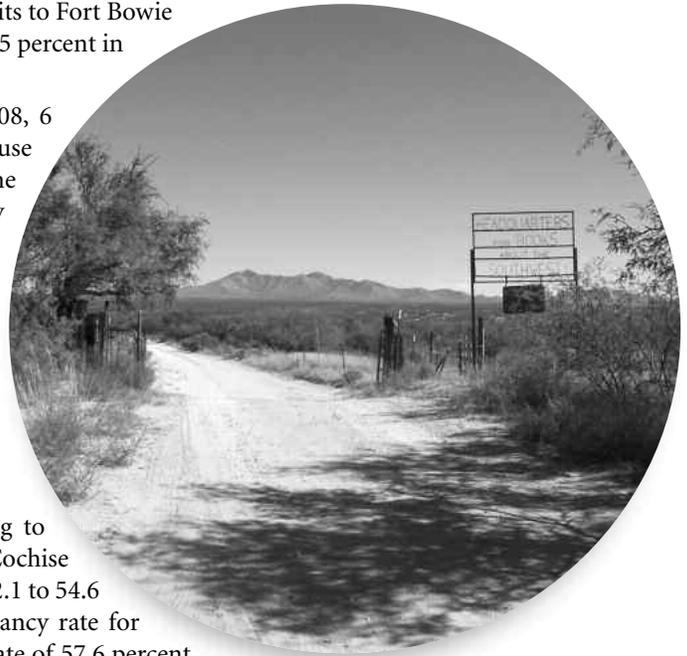
	1ST QTR	CHANGE	2ND QTR	CHANGE	3RD QTR	CHANGE	4TH QTR	CHANGE	ANNUAL	CHANGE
2006	6,193	8.3%	3,240	35.2%	2,029	46.8%	3,250	39.1%	14,712	24.3%
2007	6,235	0.7%	3,515	8.5%	2,487	22.6%	3,914	20.4%	16,151	9.8%
2008	6,695	7.4%	3,447	-1.9%	2,231	-10.3%	2,887	-26.2%	15,260	-5.5%
2009	6,150	-8.1%	3,018	-12.4%	1,862	-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%

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

Cochise County State and National Park Visitations

Coronado National Memorial saw visits increase by 27 percent in 2008, 14 percent in 2009, and 31.3 percent in 2010. Visits to the Chiricahua National Monument were down 3.2 percent in 2008, up 7.6 percent in 2009, but down again by 8.9 percent in 2010. Visits to Fort Bowie National Historic Site increased by 0.7 percent in 2008 but were down 4.5 percent in 2009 and 1.6 percent in 2010.

Visits to Kartchner Caverns State Park fell by 4.2 percent in 2008, 6 percent in 2009, and 13.9 percent in 2010. The Tombstone Courthouse State Historic Park saw visits increase by 0.1 percent in 2008, but decline by 14.5 percent in 2009. In 2010, visits were up 9.8 percent. In January 2010, the Arizona State Parks Board voted to close 13 state parks, including the Tombstone Courthouse. The Tombstone city government, Tombstone Chamber of Commerce, and Arizona State Parks Board entered into an agreement to keep the park open, transferring management responsibilities to the city and chamber as of April 1, 2010.



Entrance to Singing Wind Bookshop
Photo: Benson Visitor Center

Cochise County Lodging Indicators

Cochise County's lodging industry rebounded in 2010, according to Arizona Office of Tourism (AOT) lodging indicator data. In 2010, Cochise County's lodging occupancy rate increased by 4.9 percent, rising from 52.1 to 54.6 percent for the year. Despite the increase, the county's lodging occupancy rate for 2010 was below the statewide rate of 55.7 percent and the nationwide rate of 57.6 percent.

The average daily room rate in Cochise County increased by 1.9 percent from \$67.82 to \$69.09 in 2010. The average daily room rate was about 30 percent below the national rate and 25 percent below the statewide rate. Revenue generated per available room in Cochise County was up by 6.8 percent from \$35.32 to \$37.73 in 2010. Lodging room demand was up by 6.8 percent and supply was up 1.9 percent.

Economic Impact of Tourism in Cochise County

According to research commissioned by AOT and conducted by Dean Runyon Associates, total travel-related spending in Cochise County was \$331.2 million in 2009, down 5.6 percent from 2008. Overnight visitors who stayed in lodging establishments (including campgrounds) in Cochise County accounted for 43.6 percent of all spending by visitors. Those who stayed in private homes, including vacation homes, accounted for 20 percent of total visitor spending, while day travelers accounted for 36.4 percent. In 2009, 50.3 percent of spending by visitors to Cochise County was for leisure and hospitality services (arts, entertainment, recreation, accommodations, and food service). Spending on retail (including food stores) accounted for 38.6 percent and transportation accounted for 11.1 percent.

Approximately 4,340 jobs were generated in Cochise County in 2009 by travel-related spending, according to the Dean Runyon Associates study. More than 82 percent of those jobs were in leisure and hospitality services. Travel-related spending accounted for approximately \$82.3 million in direct earnings and generated approximately \$11.5 million in direct local government tax revenue in 2009. These are taxes levied on visitors rather than residents. This leaves more money in the hands of residents, increasing their purchasing power and, as a result, generating higher levels of local spending that also strengthen local area job growth.

As noted in the Dean Runyon Associates study, the jobs, earnings, and tax revenue generated by travel spending are relatively more important for the rural areas of Arizona, including Cochise County, than for the larger metropolitan areas of the state. AOT has dedicated funding and resources specifically designed to assist rural communities in marketing their tourism-related products and services. AOT has also developed a series of customer service and grant workshops to assist Arizona's

COCHISE COUNTY STATE PARK VISITATIONS

YEAR	KARTCHNER CAVERNS STATE PARK		TOMBSTONE COURTHOUSE STATE HISTORIC PARK	
	VISITATIONS	CHANGE	VISITATIONS	CHANGE
2006	157,417	-12.1%	50,936	-14.1%
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%	36,604	*9.8%

*Comparisons omit data for April-June due to incomplete reporting. Source: Arizona State Parks and Cochise College Center for Economic Research.

COCHISE COUNTY NATIONAL PARK VISITATIONS

YEAR	CHIRICAHUA NATIONAL MONUMENT		CORONADO NATIONAL MEMORIAL		FORT BOWIE NATIONAL HISTORIC SITE	
	VISITATIONS	CHANGE	VISITATIONS	CHANGE	VISITATIONS	CHANGE
2006*	61,579	2.2%	71,111	-17.9%	10,679	10.6%
2007	58,434	-5.1%	71,702	0.8%	10,027	-6.1%
2008	56,557	-3.2%	91,028	27.0%	10,099	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%

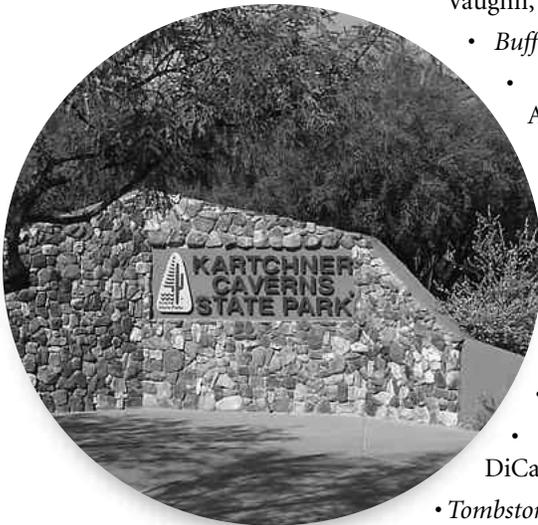
*Areas of the Coronado National Memorial were closed to the public in August and September 2006 due to damage from flash flooding. Source: Arizona Office of Tourism and Cochise College Center for Economic Research.

rural communities in their tourism-related efforts. For more information, visit the AOT website at www.azot.gov.

The Film Industry in the Benson Area

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

- *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 Glickenhous.
 - *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.



The City of Benson is known as the Home of Kartchner Caverns

- *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

Those interested in filming in the Benson area may benefit from the Arizona Motion Picture Production Tax Incentives Program. Incentives are also available for companies making commercial advertisements or music videos in Arizona, as well as those constructing infrastructure projects. For more information, visit the Arizona Commerce Authority's website at www.azcommerce.com/film. For information on filming in Benson, contact the Benson Visitor Center at (520) 586-4293.

COCHISE COUNTY TRAVEL IMPACTS

	2005	2006	2007	2008	2009
TOTAL DIRECT TRAVEL SPENDING (\$MILLION)					
Visitor Spending at Destination	319.5	326.8	350.9	350.0	330.4
Other Travel*	0.8	0.8	0.9	1.0	0.9
Total Direct Spending	320.3	327.7	351.8	351.0	331.2
VISITOR SPENDING BY TYPE OF TRAVELER ACCOMMODATION (\$MILLION)					
Hotel, Motel	78.9	86.2	106.1	110.0	97.6
Campground	50.2	50.7	52.5	52.0	46.3
Private Home	63.3	65.9	67.2	63.1	59.2
Vacation Home	6.5	6.8	7.0	7.3	7.0
Day Travel	120.5	115.7	118.0	117.6	120.3
Spending at Destination	319.5	326.8	350.9	350.0	330.4
VISITOR SPENDING BY COMMODITY PURCHASED (\$MILLION)					
Lodging	37.6	40.4	49.0	50.8	46.0
Food & Beverage Services	71.9	74.0	81.1	80.0	80.3
Food Stores	62.2	57.8	58.9	59.2	64.7
Ground Tran. & Motor Fuel	44.6	50.5	53.7	55.8	36.8
Arts, Entertainment & Recreation	40.0	41.3	43.8	41.9	40.0
Retail Sales	63.2	62.8	64.3	62.4	62.7
Spending at Destination	319.5	326.8	350.9	350.0	330.4
INDUSTRY EARNINGS GENERATED BY TRAVEL SPENDING (\$MILLION)					
Accommodation & Food Services	33.6	35.4	41.6	43.7	43.2
Arts, Entertainment & Recreation	17.6	19.1	20.2	20.3	19.4
Retail**	18.3	18.2	18.6	18.3	18.7
Auto Rental & other ground tran.	0.3	0.3	0.3	0.3	0.3
Other Travel*	0.6	0.6	0.7	0.7	0.6
Total Direct Earnings	70.4	73.5	81.4	83.3	82.3
INDUSTRY EMPLOYMENT GENERATED BY TRAVEL SPENDING (JOBS)					
Accommodation & Food Services	2,110	2,140	2,270	2,280	2,210
Arts, Entertainment & Recreation	1,220	1,260	1,380	1,410	1,350
Retail**	810	800	800	750	760
Auto Rental & other ground tran.	10	10	10	10	10
Other Travel*	20	20	20	20	20
Total Direct Employment	4,160	4,230	4,480	4,460	4,340
GOVERNMENT REVENUE GENERATED BY TRAVEL SPENDING (\$MILLION)***					
Local	10.5	10.7	11.8	11.7	11.5
State	11.7	12.0	12.8	12.5	12.2
Total Direct Gov't. Revenue	22.2	22.7	24.6	24.2	23.6

Note: 2009 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.

Calendar of Events

Benson, Arizona

ONGOING

- Ongoing **Amerind Foundation** — Check www.amerind.org for special events.
- Ongoing **Bird Watching & Hiking** — For more information call the Benson Visitor Center at (520) 586-4293.

JULY 2011

- Jul 3 **July 4th Celebration** — Benson will celebrate 4th of July starting with a parade at 9:00 a.m. The festivities will move to Lions Park at 10:30 for the yearly "Water Fight." After the Water Fight, there will be entertainment all day long. The fireworks show will start at about 8:30 p.m. For more information call the Benson Visitor Center at (520) 586-4293 or visit www.bensonvisitorcenter.com.

OCTOBER 2011

- Oct 8-9 **Butterfield Overland Stage Days** — This year the Benson Chamber of Commerce will be putting on a special Butterfield Overland Stage Days. Although it ran for only 2 years in 1858 and 1859, it was one of the turning points in American history. October 2011 will mark 153 years since John Butterfield's dream for an overland mail and passenger service connecting the East with the West. There will be vendors and entertainment in Lions Park. There will also be an official U.S. Post Office Pony Express mail run from Benson to Dragoon on horseback taking letters with a special cancellation just for this event. For more information contact the Benson Chamber of Commerce at (520) 586-2842 or visit www.bensonchamberaz.com.
- Oct 8 **Butterfield Rodeo** — The Benson Rodeo Committee will be having its one-day Butterfield Rodeo with all profits going to charity. It will be held at the Arena Bar on Prickly Pear Ave (across from Wal-Mart). The Rodeo starts at 5:00 p.m. For information call (520) 586-4293 or visit www.bensonbutterfieldrodeo.com.
- Oct 14-15 **SAHR Biker Rodeo** — Every year, the third weekend in October, the Southern Arizona Harley Riders put on their Biker Rodeo at The Arena in Benson. For more information contact Nick Confer at seminole@theriver.com or visit www.sahr.us.

NOVEMBER 2011

- Nov 12-13 **Holy Trinity Monastery Fall Festival of the Arts** — There will be 150+ booths of arts and crafts as well as entertainment and a variety of food. For more information call (520) 720-4642 ext 22, or visit www.holytrinitymonastery.org.
- Nov 20 **Singing Wind Bookshop's Thanksgiving Fiesta of Books** — Singing Wind Bookshop celebrates regional books at the annual Thanksgiving Fiesta, 1 p.m. Readings by regional authors in history, fiction, national history, and more. Munchies and valet parking included. For more information call (520) 586-2425.

DECEMBER 2011

- Dec 3-4 **30th Annual Cascabel Christmas Fair** — 10 a.m. to 4 p.m. The Cascabel Community Fair is a unique celebration of rural Arizona beauty, history, hospitality, diversity, and artistic expression in an awe-inspiring outdoor setting
- Dec 10 **Christmas on Main Street** — The Benson Chamber of Commerce has been putting on Christmas on Main Street for the past several years. There will be street vendors as well as local entertainment such as the Saint David High School Choir. There will also be a visit from Santa Claus. For more information call the Benson Chamber of Commerce at (520) 586-2842 or visit www.bensonchamberaz.com.

JANUARY 2012

- Jan 29 **Cowboy/Cowgirl Round-up** — The Singing Wind Book Shop will be present readings and music by cowboy poets, fiction writers, and western historians. Event is free. For more information call (520) 586-2425.

FEBRUARY 2012

- Feb 26 **Mysteries West** — The Singing Wind Book Shop will feature regional mystery writers, 1 p.m. For more information call (520) 586-2425.



Tank and panel at Canyons reserve

Renewable energy

Overview

There is a growing sense that reformation of energy production, use, and infrastructure will be a key component of long-term economic growth strategies at the national, state, and local levels. The expansion of renewable energy resources and the advancement of technology to harness and distribute renewable energy will be at the center of this movement. In Arizona there has long been recognition that the state is well positioned to be a leader in harnessing and distributing alternative energy, particularly solar energy.

SSVEC Renewable Energy Program

Sulphur Springs Valley Electric Cooperative, Inc. (SSVEC), which provides electrical service to the Benson area and other areas of the county, offers several incentives to promote the use of alternative energy. In addition to the SSVEC 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 renewable energy incentives in the SSVEC service area, visit www.ssvvec.org.)*

SUN WATTS GREEN CONTRIBUTION PROGRAM

SSVEC members may voluntarily contribute additional money on their monthly electric bills to help fund various renewable energy programs. The money contributed is placed in the SSVEC Renewable Energy Fund.

RESIDENTIAL AND SMALL COMMERCIAL (UNDER 10 KW) REBATE PROGRAM

This program provides incentives to SSVEC members for the installation of qualifying renewable energy programs (solar, wind, and biomass). SSVEC provides incentives of \$3 per installed watt, or up to 50 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 60 percent of the system's cost. Money available to fund the rebate program is limited, so members must contact SSVEC prior to construction to ensure funds are available.

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 builders of new homes 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 4 kW for residential systems and 10 kW for small business systems. The loan program has limited funds and is available on a first come, first served basis.

SSVEC has entered into partnership with Habitat for Humanity to encourage renewable energy options for Habitat for Humanity homes. A maximum of two projects per year are funded.

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 (SRCC). The SRCC eligible systems can be found at www.solar-rating.org.

HABITAT FOR HUMANITY PROGRAM

SSVEC has entered into partnership with Habitat for Humanity to encourage renewable energy options for Habitat for Humanity homes. A maximum of two projects per year are funded.

RENEWABLE ENERGY TARIFFS

In order to fund the SunWatts Program, SSVEC charges monthly tariffs. The surcharge rate is \$0.007937 per kWh per month with the following monthly maximums: residential, \$3.49 per meter per month; commercial and industrial, \$200 per meter per month; general service, \$85 per meter per month; irrigation, \$50 per meter per month; and industrial (over 3MWs), \$300 per meter per month.



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, is dedicated to analyzing and interpreting economic information and educating residents of Cochise County on the local, state, and national economy. The CER provides economic and demographic information, analysis, and forecasting to help community leaders in the public, private, and nonprofit sectors make informed decisions.

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 newsletter, *The Indicator*, provides updates on the local economy and CER activities. In 2009, the CER launched 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 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.

As an auxiliary department of Cochise College, the CER is charged with raising its own operating budget, independent of the college's budget, through sponsorships, gifts, donations, sponsored research, and other sources.

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

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

Robert Carreira, Ph.D. – Director
Iris Routhieaux – Information Specialist
Roy Bever – Administrative Assistant, Sr.
Angelina Inman – Office Assistant

Benson Economic Advisory Committee

Jim Cox – City of Benson
Sharon Gilman – Cochise College Benson Center
Gary Maluf, Ph.D. – Benson Hospital
Kate Mueller – St. David Unified School District
Glenn Nichols – City of Benson
Bob Nilson – Benson Visitor Center
George Scott – Southeast Arizona Economic Development Group
Telly Stanger – Sulphur Springs Valley Electric Cooperative, Inc.
Dr. David Woodall – Benson Unified School District



Cochise College Benson Center

Cochise College resources

Adult Education

Adult Education offers various programs that are free to all Cochise County residents 16 years of age and older. These programs include English language acquisition (ELA), GED (high school equivalency) preparation, adult basic education, reading, math, writing, computer skills, civics, citizenship, family literacy, and workplace education. Classes meet on Cochise College campuses as well as other locations in the county. For more information please email adulthoodeducation@cochise.edu or call the Benson Center at (520) 586-1981, the Douglas Campus at (520) 364-3736, Sierra Vista Campus at (520) 515-5456, or the Willcox Center at (520) 384-4502.

Career Services Center (CSC)

The CSC provides job search skills and placement assistance to students and alumni of the college. Cooperative Education internship programs are available for students seeking to gain experience in their field of study. Students receive academic credit for these field experiences. In addition, the CSC provides students with current listings of off-campus job openings and refers interested candidates to employers. CSC posts available job opportunities at no charge to employers. For more information, please call the Sierra Vista Campus Center at (520) 515-5457 or the Douglas Campus Center at (520) 417-4750.

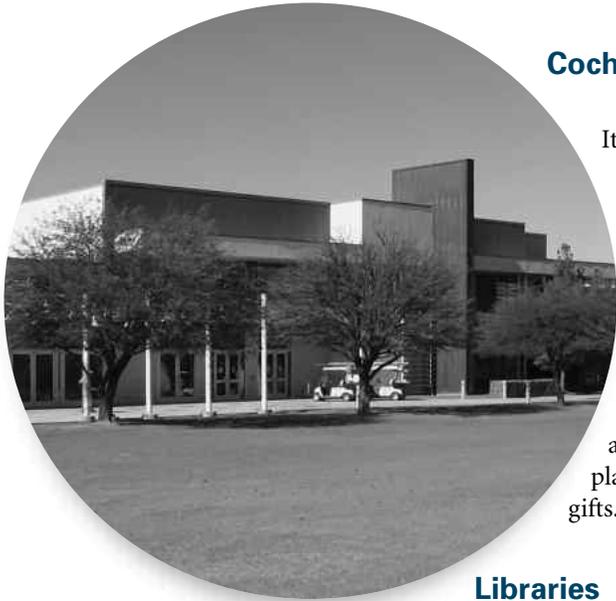
Center for Lifelong Learning (CLL)

Nontraditional training and outreach are an important part of the Cochise College mission and the Center for Lifelong Learning (CLL) offering a wide variety of training services to individuals and

organizations locally and internationally. Both credit and noncredit courses are offered in the classroom, off campus, and online. Topics include a wide variety of professional development courses, personal enrichment and local interest classes, and computer workshops. Customized classes on nearly any topic can be contracted to support area businesses and organizations. CLL publishes a quarterly schedule of offerings and a complete listing of courses can be found on the college website.

The region offers a unique combination of historical and natural attractions. The border location makes the college the logical setting for a center dedicated to exploring, disseminating, and protecting cultural and natural resources and contributing to the economic development of the area. CLL continues its mission of establishing the college as a leader in border related studies, training, and research and is a strong partner to existing organizations in resource availability and procurement.

CLL works with its partners to identify and implement entrepreneurial activities related to the rich historical, cultural, and geographic characteristics of Southeast Arizona and the border area and to meet the training and educational needs of the community. For more information, call (520) 515-5492 or email training@cochise.edu.



Cochise College Student Union
located on the Sierra Vista campus

Cochise College Foundation

The Cochise College Foundation has supported Cochise College since 1967. Its mission is to promote student success through scholarships, facilities development, and program support. By supporting Cochise College, the foundation endeavors to increase the college's accessibility to its diverse and changing communities.

The foundation is organized as a 501(c)(3) nonprofit organization. It is overseen by a local board of directors who review donations and finances, plan fundraising activities, and assure stewardship of funds.

Donor contributions help provide thousands of dollars in scholarships and program support each year. Donors can support these and other college activities in a variety of ways, including the establishment of an endowment, planned gifts, personal property, real estate, cash and pledges, and matching gifts. For more information, visit www.cochise.edu/foundation

Libraries

The Cochise College library system consists of the Charles Di Peso Library on the Douglas Campus and the Andrea Cracchiolo Library on the Sierra Vista Campus. Many services and resources are also available online at www.cochise.edu/information/library. The libraries house 66,000 books and have more than 300 periodical subscriptions. The libraries also provide access to various web-based periodical indexes, most of which provide the full text of articles. Library access is free to Cochise College students and employees. Non-student Cochise County residents pay a one-time fee of \$3 and show proof of residency.

Small Business Development Center (SBDC)

Tech Prep

Tech Prep, located on Sierra Vista Campus, is a federally funded Carl Perkins vocational grant administered by the Arizona Department of Education, Career and Technical Education Division. Tech Prep works with Cochise County high schools that offer Career and Technical Education programs to build pathways for high school students to enter into Cochise College Career and Technical Education programs and employment pathways.

The Cochise College COMPACT program is one of the benefits of having a Tech Prep office at Cochise College. The COMPACT program is a scholarship for Cochise County high school students to take Cochise College Career and Technical Education courses at a significantly reduced rate for qualifying courses. Qualified students interested in skilled occupations or technical careers have the opportunity to begin their education at Cochise College while still in high school. Funding is provided by Cochise College and the Wolslager Foundation. Students may choose from courses in the areas of agriculture, welding, avionics, business, computer information systems, nursing assisting, culinary arts, and more. For more information, call (800) 966-7943, ext. 5347; email douglasr@cochise.edu; or visit www.cochise.edu/TechPrep.

GOVERNING BOARD

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Dr. John M. Eaton
Don Hudgins

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Kevin Butler, Vice President for Administration
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Photo: Benson Visitor Center

Community resources

CITY OF BENSON

120 W. 6th Street, PO Box 2223, Benson, AZ 85602
 Telephone (520) 586-2245
 Fax (520) 586-3375
 Website www.cityofbensons.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
 Parks (435 N. Adams St.) (520) 586-9645
 Planning & Zoning (520) 720-6328
 Public Works (520) 586-1385
 Public Works Director (520) 720-6325
 Recreation (705 Union St.) (520) 720-6044
 Utilities (520) 586-2245

BENSON COMMUNITY CENTER

705 West Union Street, Benson, AZ 85602
 Telephone (520) 720-6044
 Fax (520) 720-6126

BENSON MUNICIPAL AIRPORT

2200 W. Aviation Drive, Benson, AZ 85602
 Telephone (520) 586-3262
 Email info@swernaviation.com
 Website www.swernaviation.com

BENSON PUBLIC LIBRARY

300 S. Huachuca Street, Benson, AZ 85602
 Telephone (520) 586-9535
 Fax (520) 586-3224
 Website www.cochise.lib.az.us

BENSON VISITOR CENTER

249 E. 4th Street, Benson, AZ 85602
 Telephone (520) 586-4293
 Fax (520) 586-4295
 Email info@bensonsvisitorcenter.com
 Website www.bensonsvisitorcenter.com

BENSON HOSPITAL

450 S. Ocotillo Avenue, Benson, AZ 85602
 PO Box 2290
 Telephone (520) 586-2261
 Fax (520) 586-2265
 Website www.bensonhospital.org

BENSON/SAN PEDRO VALLEY CHAMBER OF COMMERCE

PO Box 2255, 234 E. 4th Street, Benson, AZ 85602
 Telephone (520) 586-2842
 Fax (520) 586-7477
 Email info@bensenchamberaz.com
 Website www.bensenchamberaz.com

BENSON UNIFIED SCHOOL DISTRICT

360 S. Patagonia Street, Benson, AZ 85602
 Telephone (520) 720-6730
 Fax (520) 720-6701
 Email dwoodall@bensonsd.k12.az.us
 Website www.bensonsd.k12.az.us

COCHISE COLLEGE BENSON CENTER

1025 State Route 90, Benson, AZ 85602
 Telephone (520) 586-1981
 Fax (520) 586-2150
 Email millerr@cochise.edu

INDUSTRIAL DEVELOPMENT AUTHORITY OF BENSON

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

NEW WEST CHARTER SCHOOL

3225 W. Navajo Trail, Benson, AZ 85602
 Telephone (520) 586-1976
 Fax (520) 586-1655

SOUTHEAST ARIZONA ECONOMIC DEVELOPMENT GROUP

Telephone (520) 265-6058
 Email saedg09@gmail.com
 Website www.saedg.org

SOUTHEASTERN ARIZONA BEHAVIORAL HEALTH SERVICES, INC.

590 S. Ocotillo Avenue, Benson, AZ 85602
 PO Box 2161
 Telephone (520) 586-7080
 Fax (520) 586-3163
 Website www.seabhs.org

ST. DAVID UNIFIED SCHOOL DISTRICT

70 Patton Street, P.O. Box 70, St. David, AZ 85630
 Telephone (520) 720-4781
 Fax (520) 720-4783
 Email kmueller@mail.stdavid.org
 Website www.stdavidschools.org

COCHISE COUNTY

COCHISE COUNTY ASSESSOR
 126 W. 5th Street, Suite 7, Benson, AZ 85602
 Telephone (520) 586-8170
 Website www.cochise.az.gov

COCHISE COUNTY BOARD OF SUPERVISORS
 1415 Melody Lane, Bldg. G, Bisbee, AZ 85603
 Telephone (520) 432-9200
 Fax (520) 432-5016
 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

AZ DEPARTMENT OF ECONOMIC SECURITY

551 W. 4th Street, Benson, AZ 85602
 Aging and Adult Services (520) 569-4719
 Child Care Administration (520) 586-8351
 Child Protective Services (520) 586-8351
 Developmental Disabilities (520) 586-9665
 Employment Services (520) 458-9309
 Unemployment Insurance (877) 600-2722
 Vocational Rehabilitation (520) 586-8334

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

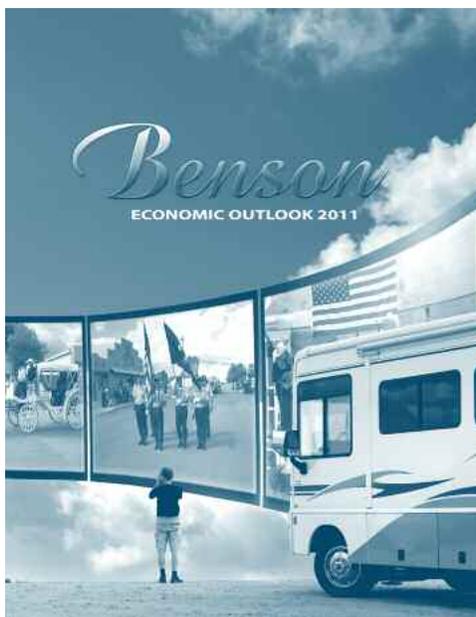
ARIZONA ELECTRIC POWER CO-OPERATIVE, INC.
 1000 S. Highway 80, Benson, AZ 85602
 Telephone (520) 586-3631
 Website www.azgt.coop

COX COMMUNICATIONS
 150 E. Wilcox Drive, Sierra Vista, AZ 85635
 Telephone (800) 229-6542
 Telephone (520) 458-4705
 Fax (520) 452-4423
 Website www.cox.com

SOUTHWEST GAS
 202 E. Wilcox Drive, Sierra Vista, AZ 85635
 Telephone (800) 428-7324
 Telephone (Gas Leak & Emergencies) (800) 722-4277
 Website www.swgas.com

SULPHUR SPRINGS VALLEY ELECTRIC COOPERATIVE
 285 W. 5th Street, Benson, AZ 85602
 Telephone (520) 586-2238
 Telephone (Outages – After Hours) (800) 422-3275
 Website www.ssvvec.org

QWEST
 134 W. 4th Street, Benson, AZ 85602
 Telephone (800) 491-0118
 Website www.qwest.com



Contact the Center for Economic Research

CENTER FOR ECONOMIC RESEARCH

Cochise College

901 North Colombo Avenue

Sierra Vista, AZ 85635-2317

Phone: (520) 515-5486

Fax: (520) 515-5343

Email: cer@cochise.edu

Website: www.cochise.edu/cer

All publications released by the Center for Economic Research are available on our website.

Additional copies of this publication are available. Economic publications are available for Bisbee, published annually in December; Sierra Vista, published annually in April; Benson, published annually in June; and Douglas, published annually in September. All Cochise County residents may obtain one copy of all CER publications free of charge. Additional copies can be provided at a small charge to cover the cost of printing.